DRAFT BUDGET OF

MTHONJANENI MUNICIPALITY

2013/14

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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DEFINITIONS,ABBREVIATIONS AND ACRONYMS

1. DEFINITIONS

(1) In this Budget Report, unless the context indicates otherwise –

Accounting officer

(a) in relation to a municipality, means the municipal official referred to in section 60 of the Municipal Finance Management Act, 2003; and include a person acting as the accounting officer;

Allocation,

in relation to a municipality, means -

(a) amunicipality's share of the local government's equitable share referred to in section 214(1)*(a)* of the Constitution;

(b) an allocation of money to a municipality in terms of section 214(1)*(c)* of the Constitution;

(c) an allocation of money to a municipality in terms of a provincial budget; or

(d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

Annual Division of Revenue Act

means the Act of Parliament which must be enacted annually in terms of section 214 (1) of the Constitution;

Approved budget

means an annual budget -

(a) Approved by a municipal council; or

(b) approved by a provincial or the national executive following an intervention in terms of section 139 of the Constitution, and includes such an annual budget as revised by an adjustments budget in terms of section 28;

Basic municipal service

means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

Budget-related policy

means a policy of a municipality affecting or affected by the annual budget of the municipality, including -

(a) The tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;

(b) The credit control and debt collection policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

Budget year
means the financial year for which an annual budget is to be approved in terms of section 16(1) of the Municipal Finance Management act of 200.

Chief financial officer
means a person designated in terms of section 80(2)*(a)* of the Municipal Finance Management Act, 2003.

Councillor
means a member of a municipal council;

CPI
means Consumer price Index.

Current year
means the financial year which has already commenced, but not yet ended;

Debtmeans –
a) a monetary liability or obligation created by a financing agreement, note, debenture, bond or overdraft, or by the issuance of municipal debt instruments; or
(b) a contingent liability such as that created by guaranteeing a monetary liability or obligation of another;

Delegation
in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

District municipality
means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality;

DLGTA
means Department of Local Government and Traditional Affairs of the Kwa-Zulu Natal Province

EXCO
means Executive Committee of the Council of the Municipality

GFSmeans General Financial Statistic.

Financial year
means a year ending on 30 June;

IDP
means Integrated Development Plan

In year reports, in relation to-
(a) a municipality means
(i) a monthly budget statement of the municipality contemplated in section 71(1) of the MFMA
(ii) a Quarterly report on the implementation of the budget and financial state of affairs of the municipality contemplated in section 52(d) of the act;
(iii) a mid-year budget and performance assessment of the municipality contemplated in section 72 of the act.

Investment
In relation to funds of a municipality, means -
(a) The placing on deposit of funds of a municipality with a financial
(b) The acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

Lender,
in relation to a municipality, means a person who provides debt finance to a municipality;

Local community
has the meaning assigned to it in section 1 of the Municipal Systems Act;

Local municipality
means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality;

Long-term debt
means debt repayable over a period exceeding one year;

MANCO
means management committee of the district municipality

MFMA
Municipal Finance Management Act, No. 56 of 2003

MFMA Regulations or (MBRR)
means regulations relating to Municipal Budget and Reporting

MTEF
means Medium Term Expenditure Framework

Mayor
in relation to -
(a) a municipality with an executive mayor, means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act; or

(b) a municipality with an executive committee, means the councillor elected as the mayor of the municipality in terms of section 48 of that Act;

Month
means one of the 12 months of a calendar year;

municipality-
(a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or *(b)* when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

Municipal service
has the meaning assigned to it in section 1 of the Municipal Systems Act;

Municipal Systems Act
means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

Municipal tariff
means a tariff for services which a municipality may set for the provision of a service to the local community, andincludes a surcharge on such tariff;

Municipal tax
means property rates or other taxes, levies or duties that a municipality may impose;

National Treasury
means the National Treasury established by section 5 of the Public Finance Management Act;

Past financial year
means the financial year preceding the current year;

NER
means the National Electricity Regulator;

Provincial Treasury
means a treasury established in terms of section 17 of the Public Finance Management Act;
Quarter
means any of the following periods in a financial year:
(a) 1 July to 30 September;
(b) 1 October to 31 December;
(c) 1 January to 31 March; or
(d) 1 April to 30 June;

Quality certificate
in relation to
(a) a municipality, means a certificate issued and signed by the municipal manager of the municipality confirming the accuracy and reliability of the contents of a document prepared or issued by the municipality

SDBIP
means Service Delivery Budget Implementation Plan

standards of generally recognised accounting practice
means an accounting practice complying with standards applicable to municipalities or municipal entities and issued in terms of Chapter 11 of the Public Finance Management Act;

vote
means -
(a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
(b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

2. ABBREVIATIONS & ACRONYMS

AMR	Automated Meter Reading
ASGISA	Accelerated and Shared Growth Initiative
BPC	Budget Planning Committee
CBD	Central Business District
CFO	Chief Financial Officer
CM	City Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
HSRC	Human Science Research Council
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act Programme
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RG	Restructuring Grant
RSC	Regional Services Council
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Part 1 – Annual Budget

1.1 Mayor's Report

1.2 REPORT BY THE MAYOR CLLR M.N. NDLANGAMANDLA

Thank you honourable Speaker, Greeting to Deputy Mayor (Cllr Gumede), all councillors , Municipal Manager (Mr Mnguni), Chief Financial Officer (Ms Simamane) and Manager Technical Services (Mr Zikhali), observers and media.

In this tabled budget Council has endeavoured to achieve these calls and has tried to provide for this within its limited resources. Given the constraint on the revenue side, tough decisions have had to be made to ensure sustainable and maintenance of assets.

JOB CREATION

Council has decided to heed the Government's call for job creation and has partnered with the Department of Public Works to ensure that the EPWP is fully operational in this Municipality.

INFRASTRUCTURE DEVELOPMENT

The total MIG allocation for 2013/14 financial year has dropped from R13 680 000 to R12 487.000 this is as a result of the drop in census figures

The money will be spent on upgrading of rural and urban roads 60 % on rural roads and urban roads 40%

Other highlights will be the acquisition of a grader to do maintenance of the roads

The upgrade of substation is also important to increase the capacity. Instead of taking loan which will attract more interest we shall take 15Million from our reserves

The council is committed to prevent fraud and corruption. Council has developed and implemented a risk management strategy and the audit committee is fully functional.

ORGANISATIONAL STRUCTURE

Due to the expanded functions Council has resolved to initiate a new organizational structure which will ensure better service to our community is delivered.

DEBT MANAGEMENT

Council has also adopted assist the community by write off their debts based on different percentages where a concerted effort is to be made to collect and reduce all

outstanding debts. Public meetings have started which informing the community with procedure to be followed and also importance to pay for services.

ASSET MANAGEMENT

An asset management is running and is kept up to date and ensuring that councils assets are managed properly. Asset register is in place and an official will be delegated to fully work on the assets.

We shall also endeavour to ensure that we develop to ensure how the ageing asset is disposed

Our current reports show that we spend a lot of money on repairs and maintenance of our vehicles

THE WAY FORWARD

Using the IDP and budget, this Council will ensure that service delivery is not compromised and financial control measures are tightened, including the ensuring of credit control policy and supply chain management policy be reviewed.

The Municipality will be undertaking several projects aimed at stimulated LED and job creation within its area of jurisdiction. The monitoring of these projects will be made a priority in order that sustainable projects are implemented.

1.1 Council Resolutions

On 28 March 2013 the Council of Mthonjaneni Local Municipality met in the Council Chambers of Mthonjaneni Municipality to consider the Draft annual budget of the municipality for the financial year 2013/14. The Council approved and adopted the following resolutions:

1. The Mthonjaneni Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

   1.1. The annual budget of the municipality for the financial year 2013/14 and the multi-year and single-year capital appropriations as set out in the following tables:
   - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2
   - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3
   - 1.1.3. Budget Summary as contained in Table A1
   - 1.1.4. Budgeted financial performance (revenue and expenditure) as contained in Table A4

   1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
   - 1.2.1. Budgeted Financial Position as contained in Table A6
   - 1.2.2. Budgeted Cash Flows as contained in Table A7
   - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8
   - 1.2.4. Asset management as contained in Table A9
   - 1.2.5. Basic service delivery measurement as contained in Table A10

2. The Council of Mthonjaneni Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2010:
   2.1. the tariffs for property rates – as set out in Annexure A,
   2.2. the tariffs for electricity – as set out in Annexure B
   2.3. the tariffs for solid waste services – as set out in Annexure C

3. To give proper effect to the municipality's annual budget, the Council of Mthonjaneni Local Municipality approves:
   3.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, and unspent conditional grants are cash backed as required in terms of the municipality's

1.1 Executive Summary

In accordance with the Municipal Finance Management Act (MFMA), No.56 of 2003 section 28 (4) the mayor of the municipality must table the annual budget at a council meeting.
MFMA Circular No. 67 states that the 2013 Budget Review notes that spending plans outlined in the 2013 Budget continue to support government's commitment to broadening service delivery and expanding investment in infrastructure, while taking account of the constrained fiscal environment. South Africa's economy has continued to grow, but at a slower rate than projected at the time of the 2012 Budget. GDP growth reached 2.5 per cent in 2012 and is expected to grow at 2.7 per cent in 2013, rising to 3.8 per cent in 2015. Inflation has remained moderate, with consumer prices rising by 5.7 per cent in 2012 and projected to increase by an average of 5.5 per cent a year over the period ahead.
Consequently, municipal revenues and cash flows are expected to remain under pressure in 2013/14 and ***so municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts.***
Municipalities should also pay particular attention to managing all revenue and cash streams effectively and carefully evaluate all spending decisions.
The Municipality's service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low – to high- priority programmes so as to maintain sound financial stewardship.
National Treasury's MFMA Circular No.66 and 67 were used to guide the compilation of the 2013/14 MTREF.
The main challenges experienced during the compilation of the 2013/14 MTREF can be summarised as follows:

- Theo going difficulties in the national and local economy;

- Wage increases for municipal staff members that continues to exceed consumer inflation.

The following budget principles and guidelines directly informed the compilation of the 2013/14 MTREF:

- The 2013/14 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustment Budget were adopted as upper limits for the new baselines for the 2013/14 annual budget;

- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

□ Property rate increases should be affordable and should generally not exceed inflation as measured by the CPI.

Table 1 Consolidated Overview of the 2011/12 MTREF

R thousand	Adjustment budget 2012/13	Budget year 2013/14	Budget year +1 2014/15	Budget year +2 2015/16
Total operating revenue	60,655.00	71,144.00	73,279.00	75,477.00
Total operating expenditure	61,723.00	66,172.00	68,095.00	70,138.00
Surplus/(Deficit) for the year	- 1,068.00	4,972.00	5,184.00	5,339.00
Total capital expenditure	**62,015.00**	**34,020.00**	**18,258.00**	**19,281.00**

Total operating revenue has Increased by 14.74 per cent or R10.489 million for the 2013/14 financial year when compared to the 2012/13 Adjustment Budget due to the general increase in the services charge and increase in the government grant allocations for 2013/14 financial year. For the outer years, operational revenue will increase by 2.9 per cent respectively.

Total operating expenditure for the 2013/14 financial year has been appropriated at R66.1 million and translates into a budget surplus of R17.4 million. When compared to the 2012/13 Adjustment Budget, operational expenditure has increased by 6.72 per cent in the 1213/14 budget and increased by 2.82 per cent for each of respective outer years of the MTREF.

The capital budget of R34million for 2013/14 is 27.94 per cent less compared to the 2012/13 Adjustment Budget. The reduction is due to decrease in capital government grants allocation. The capital budget of Mthonjaneni Municipality is funded by National Government Grants i.e. Municipal Infrastructure Grant and internally generated resources (internal funding).

Operating Revenue Framework

For Mthonjaneni Local Municipality to continue improving the quality of service provided to its citizens it needs to generate the required revenue. In these tough times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceeds available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditure against realistically anticipated revenues.
The municipality"s revenue strategy is built around the following key components:

- National Treasury"s guidelines and macroeconomic policy
- Effective revenue management
- The municipality"s Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 Of 2004) (MPRA)

The table below shows the projected revenues by source over the next three years

KZN285 Mthonjaneni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	01 January 1900	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source										
Property rates	02 January 1900	4 226	5 695	5 800	6 200	6 200	6 928	6 928	7 136	7 350
Property rates - penalties & collection charges		278	495	300	450	300	310	450	464	477
Service charges - electricity	02 January 1900	9 558	11 023	12 990	16 540	16 921	14 872	18 445	18 998	19 568
Service charges - water reve	02 January 1900	–	–	–	–	–	–	–	–	–
Service charges - sanitation	02 January 1900	–	–	–	–	–	–	–	–	–
Service charges - refuse rev	02 January 1900	934	977	930	956	1 057	1 057	1 088	1 120	1 154
Service charges - other										
Rental of facilities and equipment		301	394	457	380	380	357	465	479	493
Interest earned - external investments		2 123	2 341	2 763	2 250	2 250	1 900	2 250	2 318	2 387
Interest earned - outstanding debtors									–	–
Dividends received									–	–
Fines		16	19	1 582	1 902	1 902	802	1 907	1 964	2 023
Licences and permits		2 242	2 587	2 774	2 865	2 725	2 728	2 832	2 917	3 005
Agency services									–	–
Transfers recognised - operational		19 490	22 759	27 272	28 777	28 777	22 286	30 640	31 559	32 506
Other revenue	02 January 1900	1 573	787	3 594	114	140	22	6 140	6 324	6 514
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)		**40 824**	**47 072**	**58 462**	**60 454**	**60 655**	**51 253**	**71 144**	**73 279**	**75 477**

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from operating statement, as inclusions of these revenue sources would distort the calculation of the operating surplus/deficit.

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality"s budgeting process. Interest comprises of; interest on primary bank account as well as interest earned from call investment accounts. Other revenue Includes monies from tenders, business licences, hoardings, rezoning and other sundry income.

Refuse removal revune covers the cost of removal of domestic solid wate. Tarrif is determined inline with the variety of domestic incomes
Income generated from rental facalities includes hall hire, lease of staff houses, swimming pool, rank and stall fees, lease of town lands.

The following table shows operating transfers and grants to be received over the the next three years of assessment.

GRANTS	2013/2014	2014/2015	2015/2016
	R'000	R'000	R'000
MUNICIPAL INFRASTRUCTURE GANT	12487	12616	13187
EQUITABLE SHARE	27730	31711	38882
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	890	934	967
EPWP	1000		
FINANCE MANAGEMENT GRANTS	1650	1800	1950
TOTAL	**43757**	**47061**	**54986**

Total operating grants to be received in the year 2013/2014 is expected to be R42,8 million and is expecte to increse to R55 million in the year 2015/2016.

Assessment of general rates for 2012/2013

Tariff – setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.
National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities to must justify in their budget documentation all increases in excess of 6 per cent upper boundary of the South African Reserve Bank"s inflation target.

The following rebates have been approved as per the above Council resolution:

- Agricultural 5%
- State 20%
- Residential 50%
- All properties other than state, agricultural, residential and public service infrastructure16%
- Public service infrastructure compulsory 30%

The following chart shows the breakdown of revenue into the various sources. Mthonjaneni municipality derives majority of its revenue from government grants and subsidies. A substantial amount of revenue is also generated from electricity service charges. Refer to table A1 for absolute values.

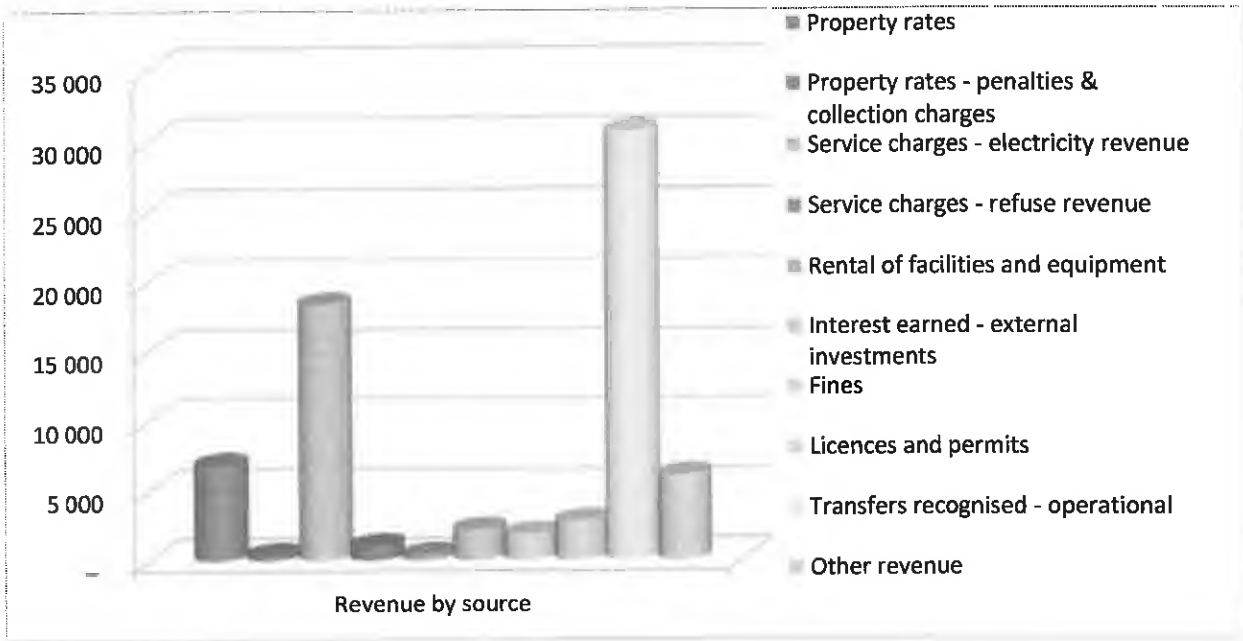


Chart 1 revenue by sourcefor the year 2013/2014

A. TOWN PLANNING

	2012/2013	2013/2014
1.1 Consideration for approval of subdivisions/consolidations		
1.1.1 Basic fee	**1000.00**	1056
1.1.2 Additional fee, per subdivision (Remainder to be considered a subdivision)	**125.00**	132
1.1.3 Amendment of subdivision in process	**250.00**	264
1.1.4 Application for registration of right of way servitudes/long term leases- Administration fee (note – this excludes legal fees)	**250.00**	264
1.1.5 Application for phasing/cancellation of approved layout plans –Administration fee	**1750.00**	1848
2. Application for relaxation of building line and / or side and rear spaces in terms of Town Planning clauses (per application)	**750.00**	792
3. Rezoning application		
3.1 Rezoning of unused public open spaces in line with Councils policy (Note - advertisement, Closure and sudivision/consolidation fees would still apply)	**NIL**	NIL
3.2 Other rezoning:		
1) Less than 1 ha	**3000.00**	3168
2) 1 ha and over but less than 5 ha	**3500.00**	3696
3) 5 ha and over but less than 10 ha	**4500.00**	4752
4) 10 ha and over	**6000.00**	6336
4. Zoning certificates	**250.00**	264
5. Special consent		
5.1 Consent to operate home industry without additional employment opportunities (Category A)	**1000.00**	1056
5.2 all other consent use applications (Category B)	**2000.00**	2112
6. Removal of Restrictive Conditions of Title	**1500.00**	1584
7. Closure of Public Streets/ Open Spaces – Admin fee	**375.00**	396
8. Administration of DFA Applications		
1) Less than 1 ha	**3000.00**	3168
2) 1 ha and over but less than 5 ha	**3500.00**	3696
3) 5 ha and over but less than 10 ha	**4500.00**	4752
4) 10 ha and over	**6000.00**	6336
9. Development outside of scheme areas		
1) Less than 5 ha	**4000.00**	4224
2) 5 ha and over but less than 10 ha	**5500.00**	5808
3) 10 ha and over	**8000.00**	8448
10. Public Notice		
10.1 Notices in the legal section	**2500.00**	2640
10.2 Notices in the body of the paper	**5800.00**	6124.8

11. Hearings	**Cost plus 10%**	**Cost plus 10%**
12. Fines – as per Section 75 and 89 of the Planning and Development Act		
12.1 Fines as per Section 75	**as per Court Order s**	**per Court Order**
12.2 Additional penalties in accordance with Section 76	**as per Court Order s 10-100% of value of illegal building/construction etc**	**per Court Order 10-100% of value of illegal building/construction etc**
12.3 Section 89 Cvil Penalty		

B. CHARGES FOR THE SUBMISSION OF PLANS FOR NEW BUILDINGS OR ALTERATIONS OR EXTENSIONS TO EXISTING COMPLETED BUILDING

1. New works

For each new building or additions to existing buildings per square metre:		
a. for the first 20m²	**215.00**	227.04
b. Each additional 10m² or part thereof up to 5 000m²	**30.00**	31.68
c. Each additional 10m² or part thereof more Than 5 000m² and up to 15 000m²	**25.00**	26.4
d. Each additional 10m² or part thereof more Than 15 000m²	**320.00**	337.92
e. for swimming pools	**320.00**	337.92
f. for boundary walls	**300.00**	316.8
g. For any other plan submitted other than Described above, a fixed tariff of	**480.00**	506.88
h. for a permit for minor structures in terms of Act 103 of 1977, a fixed tariff of	**215.00**	227.04

2. As built or amended plans

For as built plans, 25% of existing submission fee, plus
Full tariff for additional new works

3. Internal alterations to existing buildings

Any form of internal alterations to existing buildings of
Any nature not defined as "as built" or amended plans"
(I.e. plans passed and structures which have already
Passed occupation requirements)

a. Fixed tariff: Structures up to 500m²	**320.00**	337.92
b. Structures up to 5000m²	**640.00**	675.84
c. Structures exceeding 5000m²	**1170.00**	1235.52

4. Pauper Burial	Free	FREE
E. COMMANAGE		
1. Grazing fee - payable monthly in advance for every ha of land rented	**35.00**	36.96
F. EXECUTION OF WORK		
For the execution of the following services for the purposes envisaged in sections 219 and 220 of the Local Authorities Ordinance, No.25 of 1974, the following charges shall be levied and paid, provided that prior to these services being undertaken, arrangements to the satisfaction of the Municipal Manager shall be made for the payment of the amount involved, except where it is specifically stated that the fees shall be paid in advance:		
1. Hardening of footpaths, including the reinstatement of existing footpaths:	**Cost plus 20%**	**Cost plus 20%**
2. Special drainage connecting storm water drains and channels from private property to open channels and adjoining kerb (connections up to and including 150mm diameter Pipes) across footpaths:	**Cost plus 20%**	**ost plus 20%**
3. Reinstatement of road surfaces:	**Cost plus 20%**	**Cost plus 20%**
4. Altering of storm water culverts channels, sewers, Kerbs or footpaths to permit the erection of veranda Columns or other structures:	**Cost plus 20%**	**Cost plus 20%**
5. Erection of street gutter bridges or kerb entrances across street drains:		
a. When constructed simultaneously with the laying of any street	**no charge**	**no charge**
b. When constructed after the street has been completed:	**Cost plus 20%**	**Cost plus 20%**
6. Jobbing, etc. In respect of any materials or repairs, construction or any other work, there shall be payable the actual cost to the Council plus	**20%**	0.2112
G. MISCELLANEOUS		
1. Valuations		
1.1. Notice of appeal in terms of section 53 of the Property Rates Act, No. 6 of 2004.	**130.00**	137.28
1.2. Valuation roll, per copy	**140.00**	147.84
1.3. Valuation certificate for issue reflecting the rateable value of property appearing in the valuation roll	**95.00**	100.32
2. Any certificate in terms of section 118 of the Municipal Systems Act.	**95.00**	100.32
3. Application fees and deposits for a licence/permit for outdoor advertising		
Every person who applies to the Council for its approval or permission shall, on making application, pay to the Council the charge determined therefore and no application shall be considered until such charge has been paid; the charges are set out below:		
3.1.1. A non-refundable application fee of R160.00 (One hundred and Fifty Rand) must be tendered with each application for sign types 2 (ground signs), 3 (wall signs), 4 (roof signs) and 5 (veranda, balcony, canopy and under-awning signs). Any minor amendment to an application, considered by the duly authorised official of Council to be a minor amendment, may be submitted at a reduced application fee of R50.00 (Fifty Rand) each.	**160**	168.96
3.1.2. A non-refundable application fee of R480.00 (Four Hundred and Fifty Rand) must be tendered with each application for sign type 1 (billboards) and all non-locality bound signs in excess of 12m².	**480**	506.88
3.1.3. The approval fee for 1 and 2 is R40.00 (Forty Rand) per square metre of advertising display or part thereof with a minimum fee of R45.00 (Forty Rand) per application.	**45**	47.52
3.1.4. A non-refundable application fee of R55.00 (Fifty Rand) must be tendered with each application for advertisements for sign types 6 (posters, banners and flags). .	**55**	58.08

4. For the renewal of plans which have expired	**50% of existing submission fee**	**50% of existing submission fee**
5. Reproduction of Building Plans		0
Reproduction of building plans on paper		0
a. A0	**40.00**	42.24
b. A1	**30.00**	31.68
c. A2	**25.00**	26.4
d. A3	**20.00**	21.12
Reproduction of building plans on Plastic Film		
a. A0	**110.00**	116.16
b. A1	**65.00**	68.64
c. A2	**45.00**	47.52
d. A3	**35.00**	36.96
6. Minor works in terms of the National Building Regulations or other work not listed above	**70.00**	73.92
7. Amendments to plans	**70.00**	73.92
8. Non – compliance with Building Inspectors Instructions	**265.00**	279.84
9. Additional on site inspections – per visit Of Municipality)	**70.00**	73.92
10. Verge Deposit (refundable at discretion of Municipality)	**320.00**	337.92
11. Signs - Post type signs, i.e. the type of sign Designed to take inter-changeable posters: Charge for inspection plans	**85.00**	89.76
C. BUS AND TAXI RANKS		
Fee for the issue or renewal of a permit to use a public vehicle stand:		
1. Public buses, per annum for each bus	**285.00**	300.96
2. Per annum for each bus in excess of two in the same owneship	**170.00**	179.52
3. Taxis, per annum	**140.00**	147.84
4. Agents for the privilege of operating from the Bus Rank, per vehicle per annum or part thereof	**130.00**	137.28
D. CEMETERY		
1. Burial fees:		
a. Where the deceased immediately before His death was resident in the Council's area Of jurisdiction or alternatively reserved a site	**320.00**	337.92
b. Where the deceased was not a resident As in (a)	**745.00**	786.72
2. Reservation fees		
A non-refundable amount shall be payable for each plot reserved for residents	**320.00**	337.92
3. Indigent support grant – (in terms of the Indigent Support Policy asapproved by Council, from time to time.)		

3.1.5. On approval of posters, the applicant must purchase non-refundable stickers from the Council which are to be clearly visible on all posters displayed as follows: R1.00 (One Rand) per sticker to be paid for each poster to be Displayed for non-profit bodies only. These posters must display the fundraising numbers of the bodies or a formal constitution has to be submitted to the Council. No commercial advertising and logos of sponsors will be permitted to appear on such posters;	**R1.00 per sticker**	R1.05 per sticker
a. R2.50 (Two Rand and Fifty cents) per sticker to be paid for each poster to be displayed for religious, sporting, social, cultural, political and other events. A subordinate percentage of commercial advertising and logos of sponsors is permitted to appear on such posters; or	**R2.50 per sticker**	R2.64 per sticker
b. R5.00 (Five Rand) per sticker to be paid for each poster to be displayed for events considered by the Council or its duly authorised officials to be primarily of a commercial nature.	**R5.00 per sticker**	R5.28 per sticker
3.1.6. A non-refundable application fee of R640.00 (Six Hundred) per annum or part thereof must be tendered with the annual application for sign type 7 (estate agents' boards); the maximum number of boards required at any given time to be specified in such application.		
3.1.7. A non-refundable application fee must be tendered with the annual application for sign type 7 (portable boards or any other collapsible structure).	**640**	675.84
3.1.8. A non-refundable application fee of R215.00 (Two Hundred) must be tendered with each application for sign type 8 (aerial advertisements); adequate public liability insurance for the duration of display will also need to be furnished to Council's satisfaction.	**215**	227.04
3.1.9. A non-refundable application fee of R1 275.00 (One Thousand, Two Hundred Rand) per annum or part thereof must be tendered with each annual application for any sign type 9 (advertising vehicles); a certified copy of the current vehicle licence will also need to be furnished.	**1275**	1346.4
3.1.10 An encroachment fee of R55/m² to be paid on approval of an application for each sign type that encroaches over Council property.	**R55/m2**	R58.08/m2
3.2. Application fee for permission to create or display any advertisement board or sign Deposit	**640.00**	675.84
4. Audit Report		
4.1 Final accounts and audit report, per folio	**2.00**	2.112
5. Vehicles		
5.1 Impoundment fee is charged at a rate per vehicle, per day excluding security	**340.00**	359.04
6. Tender Documents: per document	**320.00**	337.92
7. Printing of Maps, GIS Black/white A4	**15.00**	15.84
A3	**20.00**	21.12
A2	**30.00**	31.68

A1		**35.00**	36.96
A0		**50.00**	52.8
Colour A4		**30.00**	31.68
A3		**40.00**	42.24
A2		**130.00**	137.28
A1		**140.00**	147.84
A0		**185.00**	195.36
8. Informal Traders	p/month	**25.00**	26.4

H. REFUSE REMOVAL

1. Private dwelling, per refuse receptacle for clearance once a week, - Melmoth	**20.00**	21.12
- Thubalethu	**18.01**	19.01856

2. Business premises, industrial premises and administrative premises of the State on a daily basis i.e. 6 days per week

a. Up to and including 2 refuse receptacles per month	**190.00**	200.64
b. In excess of 2 but not exceeding 4 refuse receptacles, per month	**250.00**	264
c. In excess of 4 but not exceeding 6 refuse receptacles, per month	**330.00**	348.48
d. For each additional receptacle in excess of 6, Per month	**80.00**	84.48
		0
		0

I. GARDEN REFUSE

a. By tractor and small trailer, per load	**285.00**	300.96
b. By tractor and large trailer, per load	**400.00**	422.4
c. Clearing lots: Cost plus	**20%**	0.2112
d. Clearing of Building rubble, per load	**455.00**	480.48

J. ELECTRICITY SUPPLY AND USE

The cost of the service cable for all connection fees from the nearest point of supply at the erf boundary will be for the customer's account, except for Light Line and Alternative type connections.

1. Single phase split pre-payment connection (60 amp)	**1438.00**	1518.528
2. a. Single phase pre-payment connection (Thubalethu 20 amp)	**1590.00**	1679.04
b. Upgrade single phase pre-payment Connection (20 amps - 60 amps)(Thubalethu).	**5470.00**	5776.32
c. a 20 amp supply with a connection fee of (Thubalethu Ph III – Indigent support)	**600.00**	633.6
3. Single phase meter conversion from conventional to pre-payment (Domestic and Small Business)	**1440.00**	1520.64

4. Three phase meter conversion from conventional to three phase pre-payment (Domestic and Small Business)	**2280.00**	2407.68
5. Single phase conventional connection	**1198.00**	1265.088
6. Second single phase prepayment connection on the same or subdivided premises	**7515.00**	7935.84
7. Single phase meter conversion from conventional to three phase conventional (Domestic and Small Business)	**7907.00**	8349.792
8. Single phase meter conversion from conventional to three phase pre-payment meter (Domestic and Small Business)	**8690.00**	9176.64
9. Domestic conversion from single to three phases Maximum demand connection (100Amp)	**9025.00**	9530.4
10. Domestic three phase conventional connection with a maximum demand of 100A (Melmoth)	**8760.00**	9250.56
11. Domestic three phase pre-payment connection	**3448.00**	3641.088
12. New 80A single phase supply or conversion from 60A to 80A	**2900.00**	3062.4
13. Non-domestic three phase connection with a Maximum demand of 100A	**10510.00**	11098.56
14. Conversion from 80A single phase pre-payment to 3 phase pre-payment connection	**6725.00**	7101.6
15. Three phase connection with a max demand greater than 100 Amp (Mthonjaneni) All cost plus 10% of all equipment necessary plus the cost of the infrastructure contributions for additional electricity above that for existing or allowed, based on the zoning and area of the premises.		
16. An annual availability charge shall be assessed and levied in respect of each unserviced erf	**2150.00**	2270.4
17. Temporary connection		
a. For building purposes, per building unit or Contractor's site	**300.00**	316.8
b. Basic monthly charge Single-phase, per month	**40.00**	42.24
Three-phase, per month	**60.00**	63.36
18. Tamper Costs:		
Any meter found to be tampered with	**1300.00**	1372.8
Plus 3 months average consumption to be calculated by finance department.		

K. FEES INVESTIGATING CONSUMER FAULTS

When the Electricity Department is requested to investigate a power interruption and where it is found that such power failure is due to a fault in the installation, or to the faulty functioning of equipment used in connection therewith, the consumer shall pay the following fees:

a. Within the Municipal area during normal Working hours	**85.00**	89.76
after working hours - Additional	**75.00**	79.2
b. Outside the Municipal area during normal working hours	**140.00**	147.84
after working hours - Additional	**110.00**	116.16

L. FEES FOR SPECIAL METER READING

When a consumer disputes the reading of the meter and requests that the meter is read again so as to confirm this, the following fees will be Levied if found that the first reading was correct: **85.00** 89.76

M. DEFAULT IN PAYMENT

Where the consumer's supply has been disconnected / or due to be disconnected due to the non-payment of the account there shall be a payable fee of.			**85.00**	89.76
N. ELECTRICITY TARIFFS				
Domestic Prepaid – Low	**Consumption**		**86.64**	91.49184
Domestic Prepaid	**Consumption**			
1 - 50 kWh			**86.64**	91.49184
51 - 350 kWh			**95.76**	101.12256
351 - 600 kWh			**127.68**	134.83008
601 - 99999 kWh			**151.62**	160.11072
Domestic Credit				
1 - 50 kWh			**71.82**	75.84192
51 - 350 kWh			**88.92**	93.89952
351 - 600 kWh			**125.4**	132.4224
601 - 99999 kWh			**145.92**	154.09152
Basic Charge: Single Phase				
Domestic: 70 Amps – Basic:		per month	**57.00**	60.192
Commercial Prepaid			**156.18**	164.92608
commercial prepaid three phase			**171**	180.576
Commercial: 70 Amps basic			**240.54**	254.01024
energy			**103.74**	109.54944
3 Phases				
Commercial: 60 Amps basic			**240.54**	254.01024
energy			**103.74**	109.54944
Commercial: 100 Amps basic			**240.54**	254.01024
energy			**103.74**	109.54944
Large Customers				
Greater than 100 Amps – KVA			**155.04**	163.72224
energy			**64.98**	68.61888

O. COMMUNITY HALLS AND SPORTSFIELDS

1. The following are exempt from the payment of tariffs and deposits for Community Halls:

1.1 Meetings administered by National or Provincial Departments associated with National or Provincial initiatives to promote upgrading, upliftment or development within Council area of jurisdiction.

1.2 Meeting of Senior Citizens Club, Service Clubs, Schools, Associations, Charitable/Welfare Organisations, Amateur Sports Institutions and Religious Activities (excluding church service), Ward Committee Meetings.

2. The following tariffs and deposits are payable for the hire of the facilities:

Community Hall			
2.1.1 Weddings		**1245.00**	1314.72
2.1.2 Other functions that is Dances, shows, bazaars		**905.00**	955.68
2.1.3 Political, Union and similar Meetings		**285.00**	300.96
2.1.4 a; Church Services for day		**145.00**	153.12
b: for every three hour period		**60.00**	63.36
2.1.5 Kitchen		**400.00**	422.4
2.1.6 Crockery		**400.00**	422.4
2.1.7 Hiring of Round Tables in the Main Hall, Per function	each	**35.00**	36.96

USAGES AND TARIFFS FOR BOTH CRECHES AND P- CENTERS

NB: No deposits for these facilities as the people who live in these areas are of a low income.

CRECHES		
1. Weddings -	**400.00**	422.4
2. Parties –	**170.00**	179.52
3. a: Churches- day	**60.00**	63.36
b: for every three hour period	**35.00**	36.96
4. Political Meetings	**115.00**	121.44
5. Funerals	**60.00**	63.36
6. Municipality	**Free**	**Free**
7. Government Functions-	**Free**	**Free**
8. Community Meetings-	**Free**	**Free**
9. Sport Meetings-	**Free**	**Free**
P- CENTRES		
1. Weddings - Refundable R100.00	**160.00**	168.96
2. Parties - Refundable R100.00	**160.00**	168.96
3. a: Churches - day	**60.00**	63.36
b: for every three hour period	**35.00**	36.96
4. Political Meetings -	**400.00**	422.4
5. Funerals -	**60.00**	63.36
6. Municipality -	**Free**	**Free**
7. Government Functions -	**Free**	**Free**
8. Community Meetings	**Free**	**Free**
9. Sports Meetings	**Free**	**Free**

2.2 Preparation and Cleaning
Where the venue is required solely for the preparation or cleaning up purposes on the day before or after the day of hire: 25% of the relevant daily hire.

2.3 Deposits
2.3.1. A deposit of R2000.00 shall be payable to cover any possible breakage by hirers in terms of clauses 2.1.1, 2.1.2 and 2.1.3, of which R 1700.00 is refundable, and R300 to be used for cleaning purposes is not refundable
2.3.2 A deposit of R350.00 shall be payable by users in terms of clauses 1.1, 1.2 and 2.1.4, to cover any possible breakages, of which R 300.00 is refundable, and R50 to be used for cleaning purposes is not refundable

2.5 Sports fields

2.5.1 Deposits and Rentals		
2.5.1.1 Deposit for the Association	**1000.00**	1056
2.5.1.2 Rental per day	**230.00**	242.88
2.5.1.3 Two Games per day, 3 times a week		
2.5.1.4 Association to give Council an annual fixture for the games		
2.5.2 Schools		
2.5.2.1 Rental per day	**190.00**	200.64
2.5.2.2 Deposit	**1000.00**	1056
2.5.3 Rallies / Special Events		
2.5.3.1 Rental per day	**1235.00**	1304.16
2.5.3.2 Deposit	**2000.00**	2112
2.5.4 Sports Equipment		
To be used at special occasions on request.		
2.5.5 Thubalethu Sport Field: Deposit	**400.00**	422.4
Hire	**120.00**	126.72
2.5.6 Regional Sports Fields: Deposit	**150.00**	158.4
Hire	**110.00**	116.16

P. LIBRARY ACTIVITIES
Library hours: Monday – Friday 10:00am – 4:00pm
Saturday 9:00am – 11:00am

a. Tariffs on overdue Material :

(i) On books - per book per week	**ɔvincial determination lable from time to time**	**2011/2012** 20

Maximum fine			100
(ii) On DVD's & Videos - on each per day			30
Maximum fine			150
b. Photocopies - per page	**1.00**	1.056	
c. Internet print out - per page	**1.50**	1.584	

Q. SWIMMING POOL

a. Use of the pool between the hours per adult	**20.00**	21.12
Of 10:00 & 18:00 per child	**10.00**	10.56
Season Ticket **R 80.00 for ticket + R 80.00 for Key**	**160.00**	168.96
b. Children up to and including 6 years of age if accompanied by an adult	**Free**	Free

c. No child aged 6 years and under, if un-accompanied by an adult, will be admitted to the pool.

R. FIRE BRIGADE SERVICES

a. Fire brigade services rendered in respect of attendance at fires, emergencies and special services within the council's area of jurisdiction.
(Note that all charges indicated are levied per hour or part thereof from the time of departure until time returned. Part of an hour is deemed to be a full hour).

Note! For Fire & Rescue Incidents 50% of the hourly fee will apply for fires that are out on arrival, motor vehicle accidents that are of a fender bender nature and for all incidents that require a standby function by fire fighting crews.

1.1 Attendance at fires in residential/non-profit premises	**1590.00**	1679.04
1.2 Attendance at fires in commercial or industrial premises	**2440.00**	2576.64
1.3 Attendance at private vehicle	**1590.00**	1679.04
1.4 Attendance at goods vehicle or other transportation	**2440.00**	2576.64
1.5 Attendance at grass, bush or rubbish	**Free**	Free
1.6 Attendance at any grass, bush, garden refuse or rubbish Fire caused by any malicious act or omission, negligence Or disregard of any law.	**530.00**	559.68
1.7 Attendance at any false alarm good intent, automatic Fire alarm: false alarm good intent or any fire – Out on arrival.	**Free**	Free

1.8 Attendance at automatic fire alarm: false alarm condition caused by any omission, negligence or lack of Reasonable maintenance or disregard of any law).	**1590.00**	1679.04
1.9 Attendance at entrapments	**1590.00**	1679.04
1.10 Attendance at vehicle accidents.	**1590.00**	1679.04
1.11 Attendance at medical emergencies or other rescue	**1590.00**	1679.04
1.12 Attendance at other humanitarian service	**1590.00**	1679.04
1.13 Attendance at any malicious false alarm caused by any malicious act or omission, negligence or disregard of any law	**1590.00**	1679.04
1.14 Cost of replacement of any extraordinary extinguishing Agents, supplies, materials, tools or equipment used at, Or damaged during any accident or in connection with Any such incident or the hire of any contractors or Equipment.	**2970.00**	3136.32
2. HAZMAT OR SPILLAGES		
2.1 Attendance at hazardous substance incidents	**2970.00**	3136.32
2.2 Attendance at fuel spillages and road obstructions on roadway	**2970.00**	3136.32
2.3 Attendance at any malicious false alarm caused by any Malicious act or omission, negligence or disregard of any law	**1590.00**	1679.04
2.6 Cost of replacement of any extraordinary extinguishing agents, supplies, materials, tools or equipment used at, or damaged during any incident or in connection with any such incident or the hire of any contractors or equipment.	**Cost plus 15%**	**Cost plus 15%**
3. SPECIAL SERVICES		
3.1 Pumping operations (hourly rates plus cost of water) refer to charges set out in section B.2.		
3.2 Miscellaneous special services		
3.3 Standby services		
3.4 Attendance at Bee, Snake or other dangerous creature complaints p/hr	**320.00**	337.92
3.5 Equipment loan: emergency life support p/hr	**20.00**	21.12
3.6 Cost of replacement of any extraordinary extinguishing Agents, supplies, materials, tools or equipment used at, Or damaged during any incident or in connection with Any such incident or the hire of any contractors or Equipment.	**Cost Plus 15%**	**Cost Plus 15%**

B. FIRE BRIGADE SERVICES RENDERED IN RESPECT OF ATTENDANCE AT FIRES, RESCUES, HAZARDOUS MATERIAL INCIDENTS AND SPECIAL SERVICES, OUTSIDE COUNCIL'S AREA OF JURISDICTION

(Note that all charges indicated below are levied per hour or part thereof From the time of departure until time returned. Part of an hour is deemed To be a full hour).

1 TURN – OUT FEE AND REPLACEMENT COSTS		
1.1. A Turn – out fee will be levied in addition to the charges Specified in B.2. Below.	**1805.00**	1906.08
1.2. This turn – out fee is not applicable in respect of an Official Mutual Aid Agreement between Fire Brigade Services.		
1.3. Cost of replacement of any extraordinary extinguishing Agents, supplies, materials, tools or equipment used at, Or damaged during any incident or in connection with Any incident or in connection with any such incident or The hire of any contractors or equipment.	**Cost Plus 15%**	**Cost Plus 15%**
2. VEHICLES PERSONNEL & EQUIPMENT		
2.1. Per fire tender or rescue appliance	**2440.00**	2576.64
2.2. Per equipment trailer	**425.00**	448.8
2.3. Per aquatic rescue craft	**425.00**	448.8
2.4. Per staff car / bakkie	**530.00**	559.68
2.5. Per item of portable motor driven equipment	**160.00**	168.96
2.6. Per kilometre per fire tender or rescue vehicle	**10.00**	10.56
2.7. Per kilometre per staff car	**5.00**	5.28
2.8. Per fire officer	**265.00**	279.84
2.9. Per fire-fighter	**160.00**	168.96
C. FIRE SAFETY SERVICES		
1. Registration of flammable substance installations And vehicles	**110.00**	116.16
2. Investigation of fires	**as per B.2.**	
3. Per copy of incident report	**55.00**	58.08

4. Standby services	**as per B.2.**	
5. Fire survey as requested	**as per B.2.**	
D. CONTROL CENTER SERVICES		
1. Monthly monitoring fee: Alarm systems linked to fire control	**130.00**	137.28
2. Copy of alarm or incident report	**55.00**	58.08

NOTE! The Company Directors reserve the right to waive any of the above charges.

POUND FEES

1. Transport fees

The kilometre tariff for vehicle which, in the discretion of the pound keeper, is reasonably necessary to transport the relevant animal to the pound, as determined by the Automobile Association of South Africa (AA) from time to time.

2. All inclusive Pound fee, which include:

a) the pound fee; i) **R20.00** per day, or part thereof for any pig, sheep or goat:	**20**	21.12
b) a tending fee;		0
c) dipping or spraying fees; ii) **R 55.00** per day, or part thereof, for any other animal	**55**	58.08
d) wound dressing costs and fees;		
e) medication costs and fees; and		
f) veterinarian fees		

TARIFFS BASED ON 5.6%

The following table shows budgeted operating expenditure by type, for the next 3 budget years
Extract of table A4

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	01 January 1900	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure By Type											
Employee related costs	02 January 1900	10 797	13 916	14 781	17 319	16 962	–	–	17 947	18 486	19 040
Remuneration of councillors		2 274	2 942	2 551	2 796	2 796			2 879	2 965	3 054
Debt impairment	03 January 1900		1 795		200	200					
Depreciation & asset impairment	02 January 1900	1 969	2 996	2 553	4 500	4 500	–	–	4 500	4 635	4 774
Finance charges					2 300	2 300			145	149	154
Bulk purchases	02 January 1900	6 954	8 863	11 944	15 000	16 014	–	–	17 458	17 979	18 519
Other materials	08 January 1900		1 588		2 751	2 131			6 050	6 222	6 418
Contracted services		589	658	766	4 420	4 420	–	–	5 193	5 349	5 509
Transfers and grants		–	–	–	240	–	–	–	60	–	–
Other expenditure	4, 5	11 765	9 607	12 120	10 721	11 800	112	–	11 943	12 301	12 670
Loss on disposal of PPE			120								
Total Expenditure		34 348	41 887	44 715	60 227	61 723	112	–	66 172	68 095	70 138

Employee related costs are anticipated to amount to R17, 9 million in the year 2013/2014 which is 27% of total anticipated expenditure. It is anticipated to increase by an average of 3% over the outer 2 yaers of the MTREF.

The cost of remunerating councillors has been determined by the minister od Co-operative Governance and Traditional Affairs. The most recent proclamation has been taken into account in determining the projected amount of R2, 8 million. which is equal to 4% of the budgeted expenditure for the year 2013/2014,
The cost of remunerating councillors is anticipated to increase by 3% over the outer years of the MTREF.

The municipalities asset management policy Requires that all assets be tested for impairments and depreciated accordingly depreciation is expected to amount to R4,5 million which is 7% of anticipated total expenditure.

Finance charges will amount to R145 000 in the year 2013/2014 which equals to 0,22% of the total budgeted expenditure. The municipality has no external debt thus finance charges are minimised.

Bulk purchases refer to the purchase of bulk electricity which also include the purchase of free basic electricity. Electrcity bulk purchases are anticipated to amount to R17,5 million in the 2013/2014 year of assessment which equals to 27% of the bugeted expenditure. Bulk purchases are anticipate dto increase steadily over the 2 outer years of the MTREF, by an avarage of 3%.

Other materials regularly used by the municipality has been budgeted to amount to R6 million in the 2013/2014 year of assessment. This is equal to 9% of the total budgeted expenditure.

Contracted services have been identified to be a saving area for the municipalty. As part of the 2013/2014 MTRF this expenditure has been critically evaluated and inefficiencies were identified. Contracted services include fire services, traffic management services and contract labour. It is anticipated tha contracted services will amount to R5 million in the budget year 2013/2014 which amounts to 8% of the total budget.

Other expenditure consists of various line items relating to the daily running of the municipality. This expenditure has also beer identified as an aea where cost savings can be achieved. General expenditure is anticipated to amount to R11,9 millior which is equal to 18% of the total budgeted expenditure.

Transfer grants and subidies includes rebates on rates, pensioners rebates as well as indigent support. It is anticipated that grants paid out will amount to R60 000 in the 2013/2014 year of assessment. This figure however is subject to change as the the ploicies governing rates rebates, pensioners rebates and indigent customers is under constant review.

The following chart shows the breakdown of expenditure by type. It must be noted that other expenditure includes expenditure funded from operating grants and transfers. Refer to table in prior page for absolute values.

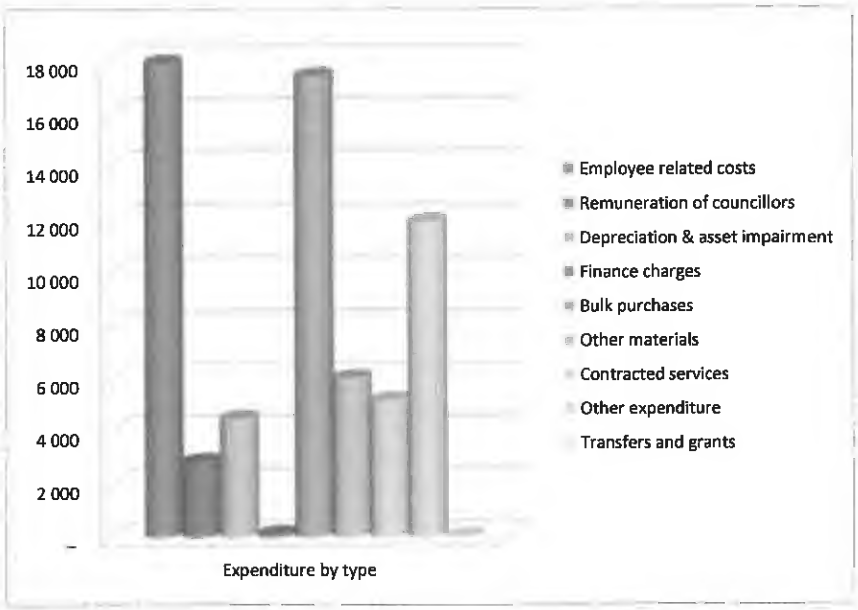


Chart 2 Expediture by type for the year 2013/2014

Mthonjaneni Municipality aims to embark on road infrastructure in the year 2013/2014 the total MIG allocation of R12,5 million will be spent on road infrastucture.
The municipality has acknowleged the back-logs in respect of rural road infrastructure in the 2013/2014 yaer of assessment the municipality aims to invest 60% of the MIG allocation on rural road infrastructure, the balance of 40% will be invested in the urban areas.

In the year 2013/2014 an amount of R15 million will be spent on a power station. This amount will be funed entirely from the municipality's surplus cash.

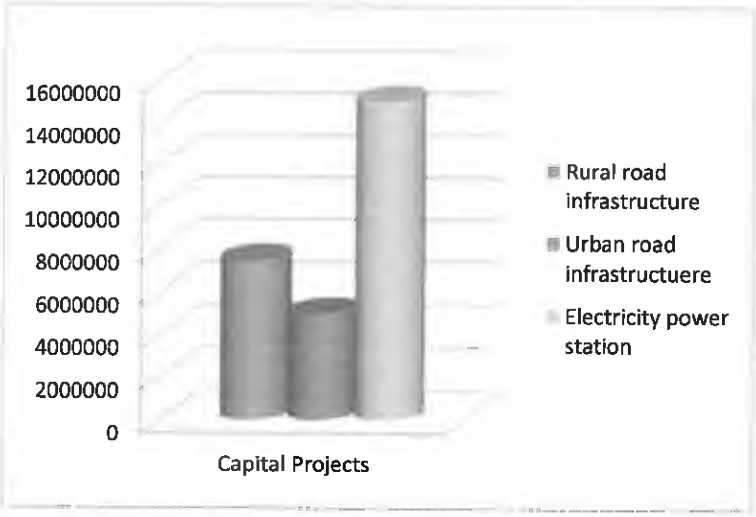


Chart 3 Capital expenditure 2013/2014

The table following thable shows bugeted capital expenditure per municipal vote. The source of funding is also disclosed. The capital assets are aslo classified by type.

CAPITAL BUDGET	**RANDS**
COUNCIL	
furniture	35000
Office bearers vehicles	400000
	435000
EXECUTIVE	
furniture	30 000.00
computer	5 000.00
flooring	200 000.00
	235 000.00
Protection services	
Equipment	738 094.00
Furniture	30 000.00
Buildings	150 000.00
	918 094.00
TECHNICAL SERVICES	
ROADS	12 487 000.00
Grader	2 800 000.00
Equipment(tools)	60 000.00
	15 347 000.00
TOWN ESTATE	
EQUIPMENT	**355 000.00**
ELECTRICITY	
Power station	15 000 000.00
Equipment	1 730 000.00
	16 730 000.00
FUNDED BY:	
GRANTS	**12 487 000.00**
OWN FUNDING	**21 533 000.00**

2013/14 MTREF (classified by main revenue source):

Table A1 - budget summary

R thousand	2009/10	2010/11	2011/12	ent Year 2012/13				2013/14 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source										
Property rates	4 226	5 695	5 800	6 200	6 200	6 928	–	6 928	7 136	7 350
Property rates - penalties & collection charges	278	495	300	450	300	900		450	464	477
Service charges - electricity revenue	9 558	11 023	12 990	16 540	16 921	14 872	–	18 445	18 998	19 568
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	934	977	930	956	1 057	1 057	–	1 088	1 120	1 154
Service charges - other										
Rental of facilities and equipment	381	394	457	380	380	357		465	479	493
Interest earned - external investments	2 123	2 341	2 763	2 250	2 250	1 900		2 250	2 318	2 387
Interest earned - outstanding debtors									–	–
Dividends received									–	–
Fines	18	19	1 582	1 902	1 902	802		1 907	1 964	2 023
Licences and permits	2 242	2 587	2 774	2 865	2 728	2 728		2 832	2 917	3 005
Agency services									–	–
Transfers recognised - operational	14 493	22 753	27 272	28 777	28 777	22 286		30 640	31 559	32 506
Other revenue	1 573	787	3 594	114	140	22	–	6 140	6 324	6 514
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)	**40 824**	**47 072**	**58 462**	**60 454**	**60 655**	**51 253**	**–**	**71 144**	**73 279**	**75 477**
Expenditure By Type										
Employee related costs	10 797	13 916	14 781	17 319	16 962	–	–	17 947	18 486	19 040
Remuneration of councillors	2 274	2 346	2 551	2 796	2 796			2 829	2 965	3 054
Debt impairment		1 795		200	200					
Depreciation & asset impairment	1 969	2 996	2 553	4 500	4 500	–	–	4 500	4 635	4 774
Finance charges				2 500	2 500			145	149	154
Bulk purchases	6 954	8 863	11 944	15 000	16 014	–	–	17 456	17 979	18 519
Other materials		1 686		2 731	2 731			6 050	6 232	6 418
Contracted services	589	658	766	4 420	4 420	–	–	5 193	5 349	5 509
Transfers and grants	–	–	–	240	–	–	–	60	–	–
Other expenditure	11 765	9 607	12 120	10 721	11 800	112	–	11 943	12 301	12 670
Loss on disposal of PPE		120								
Total Expenditure	**34 348**	**41 887**	**44 715**	**60 227**	**61 723**	**112**	**–**	**66 172**	**68 095**	**70 138**
Surplus/(Deficit)	**6 476**	**5 185**	**13 746**	**227**	**(1 068)**	**51 141**	**–**	**4 972**	**5 183**	**5 339**
Transfers recognised - capital	12 712	15 236	21 251					12 487	12 616	13 187
Contributions recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions	**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**
Taxation										
Surplus/(Deficit) after taxation	**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**
Share of surplus/ (deficit) of associate										
Surplus/(Deficit) for the year	**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**

Explanatory notes to Budget Table A-1

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all the major financial perspective (operating, capital expeniyure, financial position, cash flow and MFMA funding comliance)

2. The table provides an overview of the amounts approved by council for operating performa-mance, resources deployed to capital expenditure, financial position, cash and funding compliance as well as the municipality's commitment to eliminating basic service delivery back logs.

3. Financial management reforms emphasise the importance of the municipal budget being funded. This requires the simultaneous assessment of the financial performance of the municipality as well as financial position and cashflow budget. Along with the Capital budget. The budget summary provides key information in this regard.

a. operating surplus or defict - after total expenditure is positive over the three years

b. Capital expenditure is balanced to capital funding sources available to the municipality

refer to supporting tables for detailed analysis of line items.

KZN285 Mthonjaneni - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Classification De	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	01 January 1900	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard										
Governance and administration		**22 144**	**24 528**	–	**49 005**	**50 687**	–	**39 818**	**42 207**	**44 740**
Executive and council		2 275	2 600	–	49 000	50 550	–	–	–	–
Budget and treasury office		19 809	21 868	–	–	132	–	39 808	42 196	44 728
Corporate services		60	60	–	5	5	–	10	11	11
Community and public safety		**4 363**	**6 511**	–	**468**	**556**	–	**567**	**601**	**637**
Community and social services		3 241	4 718	–	468	556	–	567	601	637
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		360	910	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		762	883	–	–	–	–	–	–	–
Economic and environmental services		**8 832**	**12 236**	–	**17 840**	**17 840**	–	**17 219**	**17 231**	**18 265**
Planning and development		2 258	2 606	–	4 785	4 785	–	4 732	5 016	5 317
Road transport		6 574	9 630	–	13 055	13 055	–	12 487	12 214	12 947
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**18 185**	**19 018**	–	**31 996**	**32 478**	–	**26 028**	**27 589**	**29 244**
Electricity		16 721	17 541	–	31 040	31 421	–	24 940	26 436	28 023
Water		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		1 464	1 477	–	956	1 057	–	1 088	1 153	1 222
Other	04 January 1900	–	–	–	–	–	–	–	–	–
Total Revenue - S	02 January 1900	**53 524**	**62 293**	–	**99 309**	**101 561**	–	**83 632**	**87 628**	**92 886**
Expenditure - Standard										
Governance and administration		**9 777**	**16 167**	–	**17 451**	**19 739**	–	**19 056**	**20 199**	**21 411**
Executive and council		3 445	3 577	–	5 870	7 605	–	6 365	6 747	7 152
Budget and treasury office		6 332	9 364	–	7 035	7 123	–	7 460	7 907	8 382
Corporate services		–	3 226	–	4 546	5 011	–	5 231	5 545	5 878
Community and public safety		**8 410**	**8 963**	–	**13 920**	**13 266**	–	**13 717**	**14 540**	**15 412**
Community and social services		7 266	7 057	–	11 960	11 336	–	11 970	12 688	13 450
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		337	866	–	1 960	1 930	–	1 747	1 852	1 963
Housing		–	–	–	–	–	–	–	–	–
Health		807	1 040	–	–	–	–	–	–	–
Economic and environmental services		**2 866**	**3 311**	–	**5 838**	**5 788**	–	**5 376**	**5 699**	**6 041**
Planning and development		2 460	2 770	–	5 050	5 050	–	5 295	5 613	5 950
Road transport		406	541	–	788	738	–	81	86	91
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**10 476**	**13 094**	–	**23 018**	**24 088**	–	**28 023**	**29 705**	**31 487**
Electricity		9 347	11 934	–	21 014	22 074	–	26 838	28 448	30 155
Water		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		1 129	1 160	–	2 004	2 014	–	1 185	1 256	1 332
Other	04 January 1900	–	–	–	–	–	–	–	–	–
Total Expenditure	03 January 1900	**31 529**	**41 535**	–	**60 227**	**62 881**	–	**66 172**	**70 143**	**74 351**
Surplus/(Deficit) for the year		**21 995**	**20 758**	–	**39 082**	**38 680**	–	**17 459**	**17 485**	**18 534**

Explanatory notes to budget table A-2

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal service into 15 functional areas. The municipal revenue, operating expenditure and capital expenditure are then classified in terms of these functional areas which enables national treasury to compile concise government reports.

2. Note that the total revenue on this table includes the operating revenue shown in table A-4.

Refer to supporting tables for a detailed analysis of the line items disclosed in the above table

KZN285 Mthonjaneni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vot	01 January 1900									
Vote 1 - Council		–	–	–	–	1 550	–	–	–	–
Vote 2 - Municipal Manager		2 275	2 600	–	–	–	–	–	–	–
Vote 3 - Financial Services		19 809	21 868	–	49 000	49 132	–	39 808	41 002	43 462
Vote 4 - Corporate and Community Services		71	73	–	22	110	–	27	28	29
Vote 5 - Public Safety		360	910	–	–	–	–	–	–	–
Vote 6 - Public Heath		762	883	–	–	–	–	–	–	–
Vote 7 - Protection Services		2 258	2 606	–	4 785	4 785	–	4 732	5 016	5 317
Vote 8 - Technical Services		9 815	14 348	–	13 506	13 506	–	13 037	13 199	13 805
Vote 9 - Refuse Removal		1 464	1 477	–	956	1 057	–	1 080	1 153	1 222
Vote 10 - Electricity		16 721	17 541	–	31 040	31 421	–	24 940	26 436	28 023
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue b	02 January 1900	**53 535**	**62 306**	**–**	**99 309**	**101 561**	**–**	**83 632**	**86 835**	**91 859**
Expenditure by	01 January 1900									
Vote 1 - Council		2 385	2 492	–	3 892	5 672	–	3 844	4 074	4 319
Vote 2 - Municipal Manager		1 060	1 085	–	1 978	1 933	–	2 521	2 672	2 833
Vote 3 - Financial Services		6 332	9 364	–	7 035	7 123	–	7 460	7 907	8 382
Vote 4 - Corporate and Community Services		2 819	3 620	–	5 092	4 933	–	5 880	6 233	6 607
Vote 5 - Public Safety		337	866	–	1 960	1 930	–	1 747	1 852	1 963
Vote 6 - Public Heath		807	1 040	–	–	–	–	–	–	–
Vote 7 - Protection Services		2 460	2 770	–	5 050	5 050	–	5 295	5 613	5 950
Vote 8 - Technical Services		7 672	7 598	–	12 202	12 152	–	11 402	12 001	12 721
Vote 9 - Refuse Removal		1 129	1 160	–	2 004	2 014	–	1 185	1 256	1 332
Vote 10 - Electricity		9 347	11 933	–	21 014	22 074	–	26 838	28 448	30 155
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditu	02 January 1900	**34 348**	**41 928**	**–**	**60 227**	**62 881**	**–**	**66 172**	**70 057**	**74 260**
Surplus/(Deficit)	02 January 1900	**19 187**	**20 378**	**–**	**39 082**	**38 681**	**–**	**17 459**	**16 778**	**17 598**

Explanatory notes to Table A3 – Budgeted Financial Performance (revenue and expenditure per municipal vote)

1.Table A3 is a view of the budgeted financial performance in releation to the revenue and expenditure per municipal vote. This table facilitates the view of budgeted operating performance in relation to the organisational structure of the municipality. This means it is posssible to present operating surplus or deficit per vote.

KZN285 Mthonjaneni - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	01 January 1900	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	02 January 1900	4 226	5 695	5 800	6 200	6 200	6 928	–	6 928	7 136	7 350
Property rates - penalties & collection charges		276	495	300	450	300	300		450	464	477
Service charges - electricity revenue	02 January 1900	9 558	11 023	12 990	16 540	16 921	14 872	–	18 445	18 998	19 568
Service charges - water revenue	02 January 1900	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	02 January 1900	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	02 January 1900	934	977	930	956	1 057	1 057	–	1 088	1 120	1 154
Service charges - other											
Rental of facilities and equipment		361	384	457	480	380	357		465	479	493
Interest earned - external investments		3 123	2 341	2 765	2 250	2 250	1 900		2 250	2 310	2 381
Interest earned - outstanding debtors										–	–
Dividends received										–	–
Fines		16	13	1 502	1 902	1 902	603		1 907	1 964	2 023
Licences and permits		2 242	2 367	2 774	2 385	2 720	2 728		2 832	2 917	3 002
Agency services										–	–
Transfers recognised - operational		19 498	22 750	27 272	28 777	28 777	22 286		26 910	31 569	32 506
Other revenue	02 January 1900	1 573	787	3 594	114	140	22	–	6 140	6 324	6 514
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		**40 824**	**47 072**	**58 462**	**60 454**	**60 855**	**51 253**	**–**	**71 144**	**73 279**	**75 477**
Expenditure By Type											
Employee related costs	02 January 1900	10 797	13 916	14 781	17 319	16 962	–	–	17 947	18 486	19 040
Remuneration of councillors		2 274	2 366	2 851	2 790	2 790			2 879	2 965	3 054
Debt impairment	03 January 1900		1 185		300	300					
Depreciation & asset impairment	02 January 1900	1 969	2 996	2 553	4 500	4 500	–	–	4 500	4 635	4 774
Finance charges					2 200	2 200			145	149	154
Bulk purchases	02 January 1900	6 954	8 863	11 944	15 000	16 014	–	–	17 456	17 979	18 519
Other materials	08 January 1900		1 565		2 757	2 757			6 950	6 932	3 418
Contracted services		589	658	766	4 420	4 420	–	–	5 193	5 349	5 509
Transfers and grants		–	–	–	240	–	–	–	60	–	–
Other expenditure	4, 5	11 765	9 607	12 120	10 721	11 800	112	–	11 943	12 301	12 670
Loss on disposal of PPE			120								
Total Expenditure		**34 348**	**41 887**	**44 715**	**60 227**	**61 723**	**112**	**–**	**66 172**	**68 095**	**70 138**
Surplus/(Deficit)		**6 476**	**5 185**	**13 746**	**227**	**(1 068)**	**51 141**	**–**	**4 972**	**5 183**	**5 339**
Transfers recognised - capital		12 712	15 230	21 251					12 487	12 616	13 187
Contributions recognised - capital	06 January 1900	–	–	–	–	–	–	–	–	–	–
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**
Taxation											
Surplus/(Deficit) after taxation		**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**
associate	07 January 1900										
Surplus/(Deficit) for the year		**19 188**	**20 420**	**34 997**	**227**	**(1 068)**	**51 141**	**–**	**17 459**	**17 799**	**18 526**

Explanatory notes to Table A4 – Budgeted Financial Performance (revenue and expenditure)

1. Total revuene excluding capital transfers totalling R71,1 million in the budget year 2013/2014. Revevenue is expected to increase in the year 2014/2015 to R73,2 million and increase to R75,4 million in the year 2015/2016

2. Revenue from property rates is expected to be R6,9 million in the year 2013/2014. Revenue is expected to increase to R7,1 million in the 2014/2015 year of assessment. Representing an increasen of 3%.

3. Operating transfers recognised include equitable share from local government as well as other operating grants from national and provincial government. The grant reciepts from government will increase steadily over the next 3 years by an average of 2,5%

KZN265 Mthonjaneni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	01 January 1900	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure *to be approp*	02 January 1900										
Vote 1 - Council		7	28	510	420	–	410	–	435	–	–
Vote 2 - Municipal Manager		4	8	–	25	–	25	–	235	–	–
Vote 3 - Financial Services		109	53	210	90	–	90	–	–	–	–
Vote 4 - Corporate and Community Services		83	445	4	325	–	25	–	–	–	–
Vote 5 - Public Safety		–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Heath		9	17	–	–	–	–	–	–	–	–
Vote 7 - Protection Services		174	22	115	265	–	265	–	918	–	–
Vote 8 - Technical Services		1 751	3 449	32 109	30 395	–	17 290	–	15 702	–	–
Vote 9 - Refuse Removal		–	–	–	200	–	–	–	–	–	–
Vote 10 - Electricity		7 885	7 123	5 905	30 495	–	30 495	–	18 730	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-t	07 January 1900	10 022	11 145	38 853	62 215	–	48 820	–	34 020	–	–
Single-year expenditure *to be appro*	02 January 1900										
Vote 1 - Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager		–	–	–	–	–	–	–	–	–	–
Vote 3 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 4 - Corporate and Community Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Public Safety		–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Heath		–	–	–	–	–	–	–	–	–	–
Vote 7 - Protection Services		–	–	–	–	–	–	–	–	–	–
Vote 8 - Technical Services		–	–	–	–	–	–	–	–	–	–
Vote 9 - Refuse Removal		–	–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Vote		10 022	11 145	38 853	62 215	–	48 820	–	34 020	–	–
Capital Expenditure - Standard											
Governance and administration		214	534	739	690	–	860	–	670	708	747
Executive and council		11	26	110	445		445		670	708	747
Budget and treasury office		109	53	110	90		90		–		
Corporate services		94	455	19	325		325		–		
Community and public safety		183	39	115	265	–	265	–	1 273	1 344	1 420
Community and social services									355	375	396
Sport and recreation											
Public safety		174	22	115	265		265		918	970	1 024
Housing											
Health		9	17								
Economic and environmental services		5 994	12 168	39 592	30 395	–	30 395	–	15 347	16 206	17 114
Planning and development											
Road transport		5 994	12 168	39 592	30 395		30 395		15 347	16 206	17 114
Environmental protection											
Trading services		7 885	7 123	5 905	30 695	–	30 495	–	18 730	–	–
Electricity		7 885	7 123	5 905	30 495		30 495		18 730		
Water											
Waste water management											
Waste management					200						
Other											
Total Capital Expenditure - Standard	03 January 1900	14 276	19 864	46 351	62 215	–	62 015	–	34 020	18 258	19 281
Funded by:											
National Government		11 327	13 235	40 122	38 855		38 855		12 487	13 186	13 925
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	04 January 1900	13 323	15 235	40 122	38 855	–	38 855	–	12 487	13 186	13 925
Public contributions & donation	05 January 1900										
Borrowing	06 January 1900				17 000		–				
Internally generated funds		952	4 629	6 229	6 360		8 360		21 533	22 072	23 012
Total Capital Funding	07 January 1900	14 275	19 864	46 351	62 215	–	47 215	–	34 020	35 925	37 937

Explanatory notes to Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is the brak down of capita acquisition expenditure by municipal vote, standard classification as well as the funding sourcesc(which include national and provincial government grants and internally generated funds.

2.Mtonjaneni Municipality has budgeted to acquire capital assets to the value of R34 million. Capital acquisition will subsequently drop to R18,2 mi and R19,3 in the year 2015/2016

KZN235 Mthonjaneni - Table A6 Budgeted Financial Position

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		8 871	4 000	16 082	1 000		1 000		14 000	10 000	10 000
Call investment deposits	01 January 1900	30 040	30 040	45 040	45 040	49 540	33 027	–	23 040	30 500	30 500
Consumer debtors	01 January 1900	3 092	488 132	795 806	3 586	3 586	2 586	–	3 586	4 085	4 185
Other debtors		3 122	178	200	200		200		211	223	236
Current portion of long-term receivables											
Inventory	02 January 1900	224	174	185	270		270		215	201	218
Total current assets		**45 389**	**524 905**	**857 374**	**50 096**	**53 126**	**37 083**	**–**	**41 122**	**45 109**	**45 238**
Non current assets											
Long-term receivables			2 890	2 590	2 890		2 890		2 736	2 736	2 736
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	03 January 1900	56 843	73 304	94 494	168 934	168 934	176 413	–	175 366	153 299	124 732
Agricultural											
Biological		5 137	5 136	5 136	5 136		5 136		5 136	5 136	5 136
Intangible			53	53	33		53		53	53	53
Other non-current assets											
Total non current assets		**61 930**	**81 083**	**102 273**	**176 713**	**168 934**	**184 192**	**–**	**183 293**	**161 226**	**132 659**
TOTAL ASSETS		**107 369**	**605 988**	**959 647**	**226 809**	**222 060**	**221 275**	**–**	**224 416**	**206 336**	**177 898**
LIABILITIES											
Current liabilities											
Bank overdraft	01 January 1900										
Borrowing	04 January 1900	–	–	–	9 880	9 880	–	–	–	–	–
Consumer deposits		542	490	500	450		450		500	525	558
Trade and other payables	04 January 1900	15 640	5 976	17 403	21 000	21 000	–	–	37 000	3 000	3 000
Provisions		271	413	250	300		300		300	317	335
Total current liabilities		**16 453**	**6 879**	**18 153**	**31 630**	**30 880**	**750**	**–**	**37 800**	**3 845**	**3 892**
Non current liabilities											
Borrowing		–	–	–	15 000	15 000	–	–	–	–	–
Provisions		1 224	1 975	2 496	2 520	2 520	–	–	2 544	2 565	2 586
Total non current liabilities		**1 224**	**1 975**	**2 496**	**17 520**	**17 520**	**–**	**–**	**2 544**	**2 565**	**2 586**
TOTAL LIABILITIES		**17 677**	**8 854**	**20 650**	**49 150**	**48 400**	**750**	**–**	**40 344**	**6 410**	**6 478**
NET ASSETS	05 January 1900	**89 692**	**597 134**	**938 997**	**177 659**	**173 660**	**220 525**	**–**	**184 072**	**199 926**	**171 420**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		87 189	107 568	170 859	177 659		177 659		187 608	198 114	198 114
Reserves	04 January 1900	–	–	–	–	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	05 January 1900	**87 189**	**107 568**	**170 859**	**177 659**	**–**	**177 659**	**–**	**187 608**	**198 114**	**198 114**

Explanatory notes to Table A6 – Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practices. It promotes understandibilty on the part of councillors and management of the impact of the budget on municipalities financial position.

2. This format of the statement of financial positon in accordance with GRAP1, aligned with the international version. Which presents *Assets less Liabilities as community wealth.* Assets and libilities are further broken down into current and non-current. (ie) current assets-can be converted to cash immediately, current liabities - need to be met from cash immediately

3. The municipal equivalent of owners equity is community wealth.
The justification of the term community wealth is that the net assets of the municipality essentially belong to the community

4. Any movement on the budgeted financial performance, or budgeted capitall budget will impact on the budgeted financil position

KZN285 Mthonjaneni - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		19 307	24 130	28 501	35 627	36 008	36 008		38 254	40 396	42 658
Government -	01 January 1900	18 541	15 739	21 470	28 777	28 777	28 777		30 640	32 356	34 168
Government -	01 January 1900	14 275	13 164	27 909	38 855	38 855	38 855		12 487	13 186	13 925
Interest		2 123	2 341	2 763	2 250	2 250	2 250		23 783	25 115	26 521
Dividends											
Payments											
Suppliers and employees		(26 807)	(39 878)	(31 680)	(53 237)	(53 864)	(53 864)		(65 967)	(68 661)	(73 562)
Finance charges					(1 180)	(1 180)	(1 180)		(145)	(149)	(154)
Transfers and	01 January 1900				(240)	(240)	(240)		(60)	(62)	(64)
NET CASH FROM/(USED) OPERATIN		27 339	15 496	48 962	50 862	50 586	50 586	–	38 992	41 181	43 492
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			279	2 193							
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(14 275)	(19 864)	(25 071)	(62 215)	(62 215)	(62 215)		(34 020)	(50 000)	(70 000)
NET CASH FROM/(USED) INVESTIN		(14 275)	(19 585)	(22 879)	(62 215)	(62 215)	(62 215)	–	(34 020)	(50 000)	(70 000)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing					15 000	15 000	15 000				
Increase (decrease) in consumer de		38	(52)	309	50	50	50		60	61	60
Payments											
Repayment of borrowing					(1 120)	(1 120)			–		
NET CASH FROM/(USED) FINANCIN		38	(52)	309	13 930	13 930	15 050	–	60	61	60
NET INCREASE/ (DECREASE) IN CA		13 102	(4 141)	26 393	2 577	2 301	3 421	–	5 032	(8 758)	(26 448)
Cash/cash eq	02 January 1900	25 749	38 851	34 710	61 103	61 103	61 103	61 103	63 404	68 436	59 677
Cash/cash eq	02 January 1900	38 851	34 710	61 103	63 680	63 404	64 524	61 103	68 436	59 677	33 230

Explanatory notes to Table A7 – Budgeted Cash Flow Statement

1. The budgeted cash flow measures if the budget is funded.

2. It reflects the amount of revenue to be realised in the budget year as a result of the implemantation of the budget.

KZN285 Mthonjaneni - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available											
Cash/cash eq	01 January 1900	38 851	34 710	61 103	63 660	63 404	64 524	61 103	68 436	59 677	33 230
Other current investments > 90 days		–	–	0	(17 640)	(13 864)	(30 497)	(61 103)	(31 396)	(19 177)	7 270
Non current i	01 January 1900	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		38 851	34 710	61 103	46 040	49 540	34 027	–	37 040	40 500	40 500
Application of cash and investments											
Unspent conditional transfers		12 469	4 267	14 850	18 000	18 000	–	–	12 000	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory req	02 January 1900										
Other working	03 January 1900	(3 043)	(539 035)	(798 122)	(4 719)	(1 358)	(7 152)	–	18 468	(4 221)	(4 521)
Other provisions											
Long term im	04 January 1900	–	–	–	–	–	–	–	–	–	–
Reserves to i	05 January 1900										
Total Application of cash and investm		9 426	(534 768)	(783 273)	13 281	16 642	(7 152)	–	30 468	(4 221)	(4 521)
Surplus(shortfall)		29 425	569 478	844 375	32 759	32 898	41 179	–	6 572	44 721	45 021

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconcillation

1.The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA circular 42- Funding a municipal budget.

2.The table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities or commitments that exist.

KZN285 Mthonjaneni - Table A9 Asset Management

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue &		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSET REGISTER SUMMARY - PPE	05 January 1900									
Infrastructure - Road transport		21 368	17 371	41 358	54 314		54 314	13 880	14 446	15 250
Infrastructure - Electricity		4 160	17 221	23 128	51 321		51 321	13 940	15 910	16 725
Infrastructure - Water		81	39	79	79		79			
Infrastructure - Sanitation		126	121	121	121		121			
Infrastructure - Other		702	642	342	1 581		1 581			
Infrastructure		26 771	35 934	65 827	110 316	–	110 316	28 660	30 266	31 982
Community		24 605	28 721	35 107	30 407		30 407			
Heritage assets		1	1	1	1		1			
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		2 930	5 611	1 890	3 364		3 364	22 143		
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		5 137	5 136	5 136	5 136	–	5 136	5 136	5 136	5 136
Intangibles		–	53	53	53	–	53	56	56	56
TOTAL ASSET REGISTER SUMMARY	05 January 1900	**59 478**	**73 356**	**115 014**	**172 257**	**–**	**172 257**	**56 005**	**35 478**	**37 174**
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		1 969	2 996	2 553	4 500	4 500	–	4 500	4 635	4 774
Repairs and Maintenance by Asset C	03 January 1900	–	–	1 741	2 675	2 825	1 154	2 322	–	–
Infrastructure - Road transport		–	–	187	250	250	145	423	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	89	400	400	267	400	–	–
Infrastructure		–	–	276	650	650	411	823	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	–	–	1 466	2 025	2 175	742	1 499	–	–
TOTAL EXPENDITURE OTHER ITEMS		**1 969**	**2 996**	**4 295**	**7 175**	**7 325**	**1 154**	**6 822**	**4 635**	**4 774**

Explanatory notes to Table A9 – Asset management.

1. This table shows the values of the capital assets owned by the municipality. The assets are broken down in the vari
of infrastructure,community, biological and intangible assets.
2. Assets are tested for impairments annually and depreciated/ impaired accordingly. Inline with international accou
depreciation on assets is anticipated to be R4,5 million in the year 2013/2014
3. Depreciation will rise steadily to R4,6 million in the year 2014/2015 and R4,7 in the year 2015/2016.
4. Repairs and mantainance to infrastructure will amount to R2,3 million in the year 2013/2014.

Budget Process Overview

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the municipal Budget Steering Committee states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager, senior managers, the mayor, speaker and deputy mayor.
The primary aim of the Budget Steering Committee is to ensure:

- That the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal department are properly evaluated and prioritized in the allocation of resources

The budget for the year 2013/2014 has been discussed in detail by management in the months of February and March 2013. The draft budget was presented to council on the 28th March 2013. Minor amendments have been processed.

During the budget discussion meetings held council emphasised that public participation was an integral part .Budget and IDP road shows for public consultation are expected to be held between the 16th and 24th of April 2013.

Processes of tabling the budget:

- The draft budget was presented council on the 28th of March together with the draft MTREF as recommended by circular 19.
- The draft IDP was tabled to council on the 31st of March.
- Notice was given in terms of section 18 of the Municipal Systems Act of 2000 and section 22 (a) (i) of the Municipal Finance Management Act of 2003, that the municipality has finalized its draft budget for the year 2013/2014. Public comment was invited thereon.

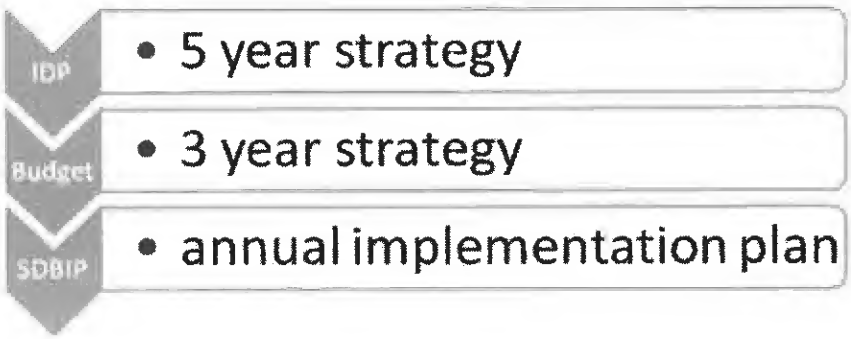
Methods used to make budget available to public

- Advert in the Zululand fever
- Copies available at the municipal library.
- Copies available at the municipal reception area.
- Copy available on the website **www.mthonjaneni.org.za**
- Copies available at finance offices

Alignment of the budget with the IDP

In compliance with the Municipal Structures act of 1198 and municipal finance management Act of 2003, Mthonjaneni municipality's budget is informed and aligned with the IDP objectives as the IDP determines and prioritizes the needs of the community. The budgetary allocations for both the capital and operating expenditure are not only undertaken in a manner that will not only ensure our IDP outcomes are achieved but also ensure that the municipality's vision is realised.

The process diagram below shows the relationship between the IDP, Budget and the SDBIP.



The budget was prepared on the following IDP inputs

- Infrastructure and services
- Local economic development being the key focus area
- Institutional development
- Environmental and land use management
- Social development
- The outputs of consultations with the various stakeholders

2013/2014 financial year

Each year the municipal Integrated Development Plan (IDP) must be reviewed as required by the Municipal Systems Act and the MFMA. The review should focus amongst other things the review of the IDP in terms of performance in achieving outcomes and outputs as the financial position and future fiscal outlook for the municipality will have a direct bearing on service delivery.

The IDP document contains amongst other the following documents.

- THE MILLENNIUM DEVELOPMENT GOALS
- NATIONAL AND PROVINCIAL STRATEGIC GUIDELINES
- CLASSIFICATION OF AREAS OF ECONOMIC POTENTIAL

- CLASSIFICATION OF AREAS OF POVERTY
- MUNICIPAL TURN AROUND STRATEGY
- LOCAL ECONOMIC DEVELOPMENT ANALYSES
- MUNICIPAL VISION AND MISSION

Municipal vision and Mission

The Mthonjaneni municipality's Vision was amended and developed as part of the Council Strategic Workshop held on the 15th – 17 February 2013.

VISION
"Improved Livelihoods for our Communities"

MISSION
We will realize our vision by:
• Providing exemplary leadership and creating an environment where talented people thrive
and grow
• Running up-to-date and integrated IT Management Systems
• Upholding good, corruption free governance principles
• Nurturing transparent, sustainable and mutually beneficial relationships with our key
stakeholders
• Ensuring efficient and effective service delivery as our core Business

SCHEDULE OF KEY DEADLINES RELATING TO BUDGET PROCESS

The budget time schedule for the compilation of the 2013/2014 medium term budget was approved by Council in August 2012, well before the start of the budget year and in compliance with the MFMA. One of the objectives of the budget timetable is to ensure integration between the development of the IDP and the budget and also to ensure that a balanced budget is tabled for consideration and approval.

The following attachment provides an extract of the key deadline relating to the budget process.

7.5 TIME SCHEDULE OF KEY DEADLINES

TIME SCHEDULE OF KEY DEADLINES **Mayor to Table in Council 10 Months Prior to Start of Budget Year**			
Month	**Municipality Mthonjaneni Local Municipality**	**Budget Year 2013/2014**	**Key Dates**
	Mayor and Council	**Administration - Municipality**	
July		Accounting officers and senior officials of municipality begin planning for next three - year budget **MFMA S 68, 77** Accounting officers and senior officials of municipality review options and contracts for service delivery **MSA s 76-81**	
August	Mayor tables in Council a time schedule outlining key dealines for: preparing, tabling and approving the budget; reviewing the IDP as per s 34 of MSA) as budget related policies and consultation processes at least 10 months before the start of the budget year. **MFMA S 21, 22, 23;** **MSA s 34, Ch 4 as amended** Mayor establishes committees and consultation for a budget process		August - Prepare draft Process Plan - IDP
September	Council through the IDP review process determines stategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans	Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc.)	September - Council to consider & adopt Process Plan Advertisement for public comment and nomination Steering Committee to discuss Process Plan Representative Forum meeting to present Process Plan Public meetings to initiate project review process and report on IDP implementation and progress. Presentation to Regional Traditional Council to inform Amakhosi about the IDP Review process. Deadline for receipt of potential project from Ward Committees, Councilors and Representative Forum.
October		Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials	October - Steering Committee Meeting to generate and consider new projects. Liason with Service Providers and District Municiality Steering Committee meeting for draft review report

November		Accounting officer reviews and drafts initial changes to IDP **MSA s 34**	November - Representative Forum - IDP Meeting with IDP manager/co-ordinator
December	Council finalises tariff (rates and service charges) policies for next financial year **MSA s 74, 75**	Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous years performance as per audited financial statements	Public Advertisement of IDP Review Review & amend draft report to accommodate comments
January		Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) **MFMA s 36**	Adoption of IDP by Council
February		Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report Accounting officer to notify relevant municipalities of projected allocations for next three budget years 120 days prior to start of budget year **MFMA s 37 (2)**	February - Management Meeting to discuss Budget. Meetings with Exco members & the Speaker to be held during February and March. 23rd January - Council to adopt Adjustments Budget where necessary
March	Mayor tables municipality budget, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year **MFMA s 16, 22, 23, 87; MSA s 34**	Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed **MFMA s 22 & 37; MSA Ch 4 as amended** Accounting officer reviews any changes in prices for bulk resources as communicated by 16 March **MFMA s 42**	March - Steering Committee Meeting - IDP 27th March 2013 - Mayor to table the Draft Budget, revised IDP and Draft SDBIP
April		Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year	Mayor and Council required to manage the Public Participation Programme, call for public submissions and convene public meetings: Tuesday 16 April 2013, 10:00 - Sanguye Hall Wednesday 17 April 2013, 17:00 - Thubalethu Hall Thursday 18 April 2013, 10:00 - Ndundulu Hall

May	Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year. **MFMA s 23, 24; MSA Ch 4 as amended** Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendations of the council of the parent municipality **MFMA s 87**	Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature	28 March - 26 April - Council to consider any submissions, comments by organs of state, i.e. District & Local Government, Provincial & National Government and Local Communities 29th May - Mayor tables the final Budget, IDP and SDBIP for Council to approve by 29th May
June	Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year **MFMA s 16, 24, 26, 53** Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57 (2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. **MFMA s 53; MSA s 38-45, 57 (2)** Council must finalise a system of delegations **MFMA s 59, 79, 82; MSA s 59-65**	Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57 (1)(b) of the MSA. **MFMA s 69; MSA s 57** Accounting officers of municipality and entities publishes adopted budget and plans **MFMA S 75, 87**	10th June - Accounting Officer to submit approved documentation to National and Provincial Treasuries and relevant organs of state with Appendix A, B and C and update performance agreements of senior staff accordingly

Abbreviations: **IDP** - Intergrated Development Plan; **MFMA** - Local Government: Municipal Finance Management Act, No. 56 of 2003; **MSA** - Local Government: Municipal Systems Act, No. 32 of 2000, as amended; **MTBPS** - National Treasury annual publication, Medium Term Budget and Policy Statement; **NT** - National Treasury; PT - Provincial Treasuries; **SDBIP** - Service Delivery and Budget Implementation Plan

DEBT WRITE-OFF POLICY

1. Definitions
2. Purpose and Scope of the Policy
3. Transparency and accountability
4. Procedures for writing – off debt
5. Factors which the Council may take into account in writing – off debt
6. General provisions relating to the writing – off debt

DEBT WRITE - OFF POLICY

1. DEFINITIONS

In this policy, unless the context indicates otherwise:
"the municipality" means the Mthonjaneni Municipality;

2. PURPOSE AND SCOPE OF THE POLICY

The purpose of this policy is to provide a framework for regulating the writing – off of irrecoverable debts and the consequent further enhancement of the municipality's debt management strategy.

3. TRANSPARENCY AND ACCOUNTABILITY

- The municipality commits itself and its officers to act fairly and justly in an open and transparency manner in implementing this policy.
- A proposal to write off a debt, either as part of a group of debts, or individually, will be considered by the Council on its merits pursuant to the procedure and with due regard to the information which must be provided to it terms of this policy.
- The constitution entitles everyone to administrative action which is lawful, reasonable and procedurally fair and to be given reasons for any such action which affects them.
- The Promotion of Administrative Justice Act, No 3 of 2000 is the legislation required by the Constitution to give effect to the right to just administrative action and in order to promote and efficient administration and good governance and to create a culture of accountability, openness and transparency in public administration or in the exercise of a public power or the performance of a public function.
- This policy incorporates the above principles by providing parameters and procedures to guide the municipality and its officers in implementing it, and thereby exercising a public power through a series of administrative actions. In so doing, this policy seeks to provide certainty on the part of those affected by it with regard to how the municipality will act in the circumstances covered by the policy and uniformity if action on the part of its officers.

PROCEDURES FOR WRITING – OFF OF DEBT

4.1 General

- A debt may only be written – off by resolution of the council.
- Unless specific provision is made elsewhere in this policy, the Council may only write-off a debt after consideration of a report and recommendations from the Accounting Officer, containing at least the information prescribed by this policy certifying that the processes provided for in the municipality's Customer Care Credit Control and Debt Collection Policy have been adhered to and that in his / her opinion there is no reasonable prospect of recovery of the debt and / or that further efforts to do so would be uneconomical.
- A debt may be only be written - off Council against the municipality's provision for doubtful debts, being a funded reserve established pursuant to the municipality's Funding and Reserves Policy.
- The writing-off of a debt by the council is an accounting procedure and does not constitute abandonment by the municipality of its claim against a debtor.
- Copies of the reports to the council in regard to all debts written-off are to be retained in the records of the municipality against the name of the debtor.
- In terms of the Indigent Policy, the arrears on an account are written-off upon registration as an indigent account and the related report is submitted to Council.
- Upon closure of an active account and after the security deposit is related, any outstanding balance of twenty rand (R20.00) or less after three months that cannot be transferred to another account belonging to the accountholder should be written off and a report submitted to Council accordingly.

4.2 INFORMATION TO BE PLACED BY THE ACCOUNTING OFFICER BEFORE THE COUNCIL IN A REPORT RECOMMENDING THE WRITING-OFF OF A DEBT OR GROUP OF DEBTS:

- In case of an individual debt, particulars of the debt including:

1.1. The amount of the debt, statin separately the capital amount and interest accrued;
1.2. The composition of the capital amount (cause of action).

- In the case of a group of debts particulars of the group including:

1.1. Motivation for submission of the debts in question as a group (e.g.) cause of action, collection procedures and prospect of recovery similar in each case)

1.1. The total amount of the debts in the group, stating separately the total of the capital amounts and interest accrued;
1.2. The composition of the capital amount (cause of action).

- Steps taken to recover the debt or group of debts.

- Particulars of the debtor including:
1.1. Account number;
1.2. Name of Account;
1.3. Whether the account holder has been liquidated or sequestrated;
1.4. Whether the debtor can be traced;

- Any other information relating to the debt which may be requested by the Council.

5. FACTORS WHICH THE CONCIL MAY TAKE INTO ACCOUNT IN WRITING – OFF DEBT

5.1 A debt is deemed to be irrecoverable:
i) If it has prescribed in terms of the Prescription Act, No. 68 of 1969;
ii) The debtor has been sequestrated or liquidated and the proceeds of the sequestration or the liquidation are insufficient to satisfy the debt;
iii) The cost of recovery of the is likely to exceed the amount outstanding.

5.2 A debt may not be deemed to be irrecoverable unless:
i) All of the debtor's attachable movable and immovable property has either been sold in execution and the proceeds have not satisfied the debt, or the cost of recovery is higher than the value of the movable property;
ii) The debtor is employed or in receipt of an income and all processes to attach that income or to obtain a court order for payment of the debt in instalments have been exhausted.

5.3 A debt may be considered irrecoverable if all reasonable attempts to trace the whereabouts of the debtor have been unsuccessful and no attached assets have been found.

6. GENERAL PROVISIONS RELATING TO THE WRITING-OFF OF DEBT

- Not less often than once during the municipality's financial year, the Accounting Officer shall submit a report to the council on debts to be written - off.

- A debt shall not be regarded as written-off until the council has so resolved.

- Prior to writing –off a debt and after consideration of the report and recommendation of the Accounting Officer in terms of this policy, the council must be satisfied that:
- The municipality has exhausted all means of debt recovery provide for in its Customer Care, Credit Control and Debt Collection Policy;

- Recovery of the debt in question has been pursued diligently and completely;
- No other reasonably possible and practical means of recovering the debt exists.

- The writing-off of a debt must be recorded in the records of the municipality and in its books of account in terms of the municipality's Funding and Reserve Policy, complaint with regulation 8, Municipal Budget and Reporting Regulations R3214 dated 17/4/09.

- Should any provision of this policy conflict with a provision of the municipality's Indigent Policy relating to a debt of a registered indigent, the latter policy takes precedence.

- In writing-off a debt, the municipality does not abandon its claim and all amounts recovered in reduction of a debt subsequent to its writing-off shall be recorded in the books of the municipality as income.

RATES POLICY

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PREAMBLE

WHEREAS:

The Council of the **Mthonjaneni** Municipality has resolved to levy rates on the market value of all rateable properties in its area jurisdiction as reflected in its property register compiled in terms of section 23 of the Act in order to provide a reliable source of revenue to provide basic services and perform its functions.

The Municipality must in accordance with the provision of section 3 of the Act adopt a rates policy consistent with the Municipal Property Rates Act, 2004 (Act No. 6 of 2004) on the levying of rates in the municipality.

Revenue raised from property rates will be used to fund services that benefit the community as a whole as opposed to individual households, and these services include, but are not limited to, the maintenance of streets, roads, sidewalks, lighting, storm drainage facilities, municipal and recreation facilities, cemeteries as well as the municipal administration in general.

DEFINITIONS

Any words and phrases referred to in this policy shall have the same meaning and interpretation assigned in terms of the Municipal Property Rates Act 6 of 2004 ("the Act") and for this purpose lists hereunder the definitions used in the Act.

In this Act, unless the context indicates otherwise—

"Act", means the Local Government : Municipal Property Rates Act No. 6 of 2004;

"agent", in relation to the owner of a property, means a person appointed by the owner of the property—

(a) to receive rental or other payments in respect of the property on behalf of the owner; or

(b) to make payments in respect of the property on behalf of the owner;

(i) the Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993); or

(ii) the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);

(a) holds the property subject to the Communal Property Associations Act, 1996 (Act No. 28 of 1996); or

(b) holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25 (6) and (7) of the Constitution be enacted after this Act has taken effect;

"land tenure right" means an old order right or a new order right as defined in section 1 of the Communal Land Rights Act, 2004;

"local community", in relation to a municipality—

(a) means that body of persons comprising—

(i) the residents of the municipality;

(ii) the ratepayers of the municipality;

(iii) any civic organizations and non-governmental, private sector or labour organizations or bodies which are involved in local affairs within the municipality; and

(iv) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality; and

(b) includes, more specifically, the poor and other disadvantaged sections of such body of persons;

"local municipality" means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155 (1) of the Constitution as a category B municipality;

"market value", in relation to a property, means the value of the property determined in accordance with section 46 of the Act;

"MEC for local government" means the member of the Executive Council of a province who is responsible for local government in that province;

"Minister" means the Cabinet member responsible for local government;

"multiple purposes", in relation to a property, means the use of a property for more than one purpose;

"agricultural purpose", in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game;

"annually" means once every financial year;

"appeal board" means a valuation appeal board established in terms of section 56;

"assistant municipal valuer" means a person designated as an assistant municipal valuer in terms of section 35 (1) or (2) of the Act;

"category"—

(a) in relation to property, means a category of properties determined in terms of section 8 of the Act; and

(b) in relation to owners of properties, means a category of owners determined in terms of section 15 (2) of the Act;

"data-collector" means a person designated as a data-collector in terms of section 36;

"date of valuation" means the date determined by a municipality in terms of section 31 (1);

"effective date"—

(a) in relation to a valuation roll, means the date on which the valuation roll takes effect in terms of section 32 (1); or

(b) in relation to a supplementary valuation roll, means the date on which a supplementary valuation roll takes effect in terms of section 78 (2) (b) of the Act;

"exclusion", in relation to a municipality's rating power, means a restriction of that power as provided for in section 17 of the Act;

"exemption", in relation to the payment of a rate, means an exemption granted by a municipality in terms of section 15 of the Act;

"financial year" means the period starting from 1 July in a year to 30 June the next year;

"Income Tax Act" means the Income Tax Act, 1962 (Act No. 58 of 1962);

"land reform beneficiary", in relation to a property, means a person who—

(a) acquired the property through—

"municipal council" or "council" means a municipal council referred to in section 18 of the Municipal Structures Act;

"Municipal Finance Management Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"municipality"—

(a) as a corporate entity, means a municipality described in section 2 of the Municipal Systems Act; and

(b) as a geographical area, means a municipal area demarcated in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"municipal manager" means a person appointed in terms of section 82 of the Municipal Structures Act;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"municipal valuer" or "valuer of a municipality" means a person designated as a municipal valuer in terms of section 33 (1) of the Act;

"newly rateable property" means any rateable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect, excluding—

(a) a property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date; and

(b) a property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified;

"occupier", in relation to a property, means a person in actual occupation of a property, whether or not that person has a right to occupy the property;

"organ of state" means an organ of state as defined in section 239 of the Constitution;

"owner"—

(a) in relation to a property referred to in paragraph (a) of the definition of "property", means a person in whose name ownership of the property is registered;

(b) in relation to a right referred to in paragraph (b) of the definition of "property", means a person in whose name the right is registered;

(c) in relation to a land tenure right referred to in paragraph (c) of the definition of "property", means a person in whose name the right is registered or to whom it was granted in terms of legislation; or

(d) in relation to public service infrastructure referred to in paragraph (d) of the definition of "property", means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of "publicly controlled", provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:

(i) A trustee, in the case of a property in a trust excluding state trust land;

(ii) an executor or administrator, in the case of a property in a deceased estate;

(iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;

(iv) a judicial manager, in the case of a property in the estate of a person under judicial management;

(v) a curator, in the case of a property in the estate of a person under curatorship;

(vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;

(vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or

(viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer

"permitted use", in relation to a property, means the limited purposes for which the property may be used in terms of—

(a) any restrictions imposed by

(i) a condition of title;

(ii) a provision of a town planning or land use scheme; or

(b) any legislation applicable to any specific property or properties; or

(c) any alleviation of any such restrictions;

"person" includes an organ of state;

"prescribe" means prescribe by regulation in terms of section 83 of the Act;

"property" means—

(a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;

(b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;

(c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or

(d) public service infrastructure;

"property register" means a register of properties referred to in section 23 of the Act;

"protected area" means an area that is or has to be listed in the register referred to in section 10 of the Protected Areas Act;

"Protected Areas Act" means the National Environmental Management: Protected Areas Act, 2003;

"publicly controlled" means owned by or otherwise under the control of an organ of state, including—

(a) a public entity listed in the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(b) a municipality; or

(c) a municipal entity as defined in the Municipal Systems Act;

"public service infrastructure" means publicly controlled infrastructure of the following kinds:

(a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary;

(b) water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;

(b) power stations, power substations or power lines forming part of an electricity scheme serving the public;

(c) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;

(d) railway lines forming part of a national railway system;

(e) communication towers, masts, exchanges or lines forming part of a communications system serving the public;

(f) runways or aprons at national or provincial airports;

(g) breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels;

(h) any other publicly controlled infrastructure as may be prescribed; or

(i) rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i);

"rate" means a municipal rate on property envisaged in section 229 (1) (a) of the Constitution;

"rateable property" means property on which a municipality may in terms of section 2 levy a rate, excluding property fully excluded from the levying of rates in terms of section 17;

"rebate", in relation to a rate payable on a property, means a discount granted in terms of section 15 on the amount of the rate payable on the property;

"reduction", in relation to a rate payable on a property, means the lowering in terms of section 15 of the amount for which the property was valued and the rating of the property at that lower amount;

"register"—

(a) means to record in a register in terms of—

(i) the Deeds Registries Act, 1937 (Act No. 47 of 1937); or

(ii) the Mining Titles Registration Act, 1967 (Act No. 16 of 1967); and

(a) includes any other formal act in terms of any other legislation to record—

(i) a right to use land for or in connection with mining purposes; or

(ii) a land tenure right;

"residential property" means a property included in a valuation roll in terms of section 48 (2) (b) of the Act as residential;

"Sectional Titles Act" means the Sectional Titles Act, 1986 (Act No. 95 of 1986);

"sectional title scheme" means a scheme defined in section 1 of the Sectional Titles Act;

"sectional title unit" means a unit defined in section 1 of the Sectional Titles Act;

"specified public benefit activity" means an activity listed in item 1 (welfare and humanitarian), item 2 (health care) and item 4 (education and development) of Part 1 of the Ninth Schedule to the Income Tax Act;

"state trust land" means land owned by the state—

(a) in trust for persons communally inhabiting the land in terms of a traditional system of land tenure;

(b) over which land tenure rights were registered or granted; or

(c) which is earmarked for disposal in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);

"this Act" includes regulations made in terms of section 83 of the Act.

(a) In this Act, a word or expression derived from a word or expression defined in subsection (1) has a corresponding meaning unless the context indicates that another meaning is intended.

<u>Other Definitions</u>

"child headed household" means any child who is or is a blood relative of the owner of the property and which child is responsible for the care of siblings or parents

"disabled" means a person who qualifies to receive relief in terms of the Social Services Act. 1992 (Act No. 59 of 1992) or has been certified as disabled by a medical practitioner;

"Indigent owner" means an owner of property who is in permanent occupation of the property and qualifies for indigent relief in terms of the municipality's indigent policy.;

"The Municipality" means the **Mthonjaneni Municipality;**

"Owners of property in an area affected by a disaster" means owners of property situated within an area affected by:

(a) a disaster within the meaning of the **Disaster Management Act 57 of 2002;**

(b) any other serious adverse social or economic conditions;

"Pensioner" means

(a) a person in receipt of a social pension; or

(b) a person over the age of 60 years; or

a person who has retired prematurely from employment due to medical reasons

"Retiree" means a person who has retired from employment in terms of that persons employment or who has reached the age of a pensioner;

"Temporarily without income" means;

(a) in the case of an employee –

(i) the period for which the person is entitled to benefits in terms of the Unemployment Insurance Act; or

(ii) 90 days whichever is the longer; or

(b) in any other case, a period of 90 days determined from the date of application by that person for relief in terms of the Municipality's policy;

"Non-profit organizations" means any organization which is registered in terms of the Non- profit Organizations Act.

1. IMPLEMENTATION OF THIS POLICY AND EFFECTIVE DATE

1.1. This policy takes effect from 1 July 2008 being the effective date of the valuation roll prepared by the municipality in terms of the Municipal Property Rates Act, 2004 (Act No. 6 of 2004) and_must accompany the municipality's budget for the financial year.

The Rates Policy must be reviewed annually, and if necessary amended by the Municipal Council, such amendments to be effected in conjunction with the Municipality's annual budget in terms of Sections 22 and 23 of the Municipal Financial Management Act.

1.3 The Municipality has adopted by-laws to give effect to the implementation of its Rates policy and such by-laws must be read in conjunction with this policy. The rates by-laws may differentiate between:

1.3.1 categories of properties; and

1.3.2 categories of owners of properties.

1.4 The by-laws adopted in terms of Item 1.3 may be reviewed annually, and if necessary be amended by the Municipal Council, in conjunction and in accordance with the Rates Policy.

2. FUNDAMENTAL PRINCIPLES OF THIS POLICY

The principles of the policy are to ensure that:-

2.1 the power of the municipality to impose rates on property will not be exercised in a way that materially and unreasonably prejudices national economic policies, economic activities or the national mobility of goods services, capital or labour in terms of Section 229 of the Constitution of the Republic of South Africa;

2.2 all ratepayers, in a specific category, as determined by council from time to time, will be treated equitably;

2.3 property rates will be assessed on the market value of all rateable properties in the jurisdiction of the municipality and for the purpose of generating revenue to balance the budget after taking into account:

2.3.1 profits generated on trading and economic services; and

2.3.2 the amounts required to finance exemptions, rebates and reductions of rates as approved by council from time to time;

2.4 property rates will not be used to subsidize trading and economic services;

2.5 the rates income generated by the municipality will take into account relief measures to address the social and economic needs of the community;

2.6 this Policy was developed in consultation with the community and in compliance with a process of community participation in terms of Chapter 4 of the Municipal Systems Act.

3. **THE PURPOSE OF THIS POLICY**

The purpose of this policy is to:

3.1 comply with the provisions section 3 of the Municipal Property Rates Act, 2004 (Act No. 6 of 2004);

3.2 give effect to the principles outlined above;

3.3 determine the methodology and to prescribe procedures for the implementation of the Act;

3.4 determine criteria to be applied for the levying of differential rates for different categories of properties;

3.5 determine or provide criteria for the determination of categories of properties and categories of owners of properties for categories of properties;

3.6 determine criteria to be applied for granting exemptions, rebates and reductions;

3.7 determine how the municipality's powers must be exercised in relation to multi purpose properties;

3.8 determine measures to promote local economic and social development; and

3.9 identify which categories of properties the municipality has elected not to rate as provided for in section 7 of the Act.

4. EQUITABLE TREATMENT OF RATEPAYERS

This municipality is committed to treating all ratepayers on an equitable basis. "Equitable" does not necessarily mean "equal" treatment of ratepayers. The circumstances of each category of owner or category of property will be considered in a fair manner. and within the limitations set out in the Act. The Municipality may adopt measures to ensure equitable and fair treatment of ratepayers.

Any differentiation in levying rates must not constitute unfair discrimination.

5. DISCRETIONARY DECISIONS ADOPTED BY THE MUNICIPALITY WITH RESPECT TO LEVYING OF RATES

It is recorded that the Municipality has adopted the following resolutions:

5.1 To levy rates on all rateable property in its area of jurisdiction.

5.2 To determine the date of implementation as provided above.

5.3 To determine the date of general valuation as 01st July 2006.

To levy different cents in the rand for different categories of rateable property.

5.5 That the categories of properties for the purpose of differential rating referred to in 5.4 above are those specified in Appendix 1 attached hereto.

5.6 That the criteria for the assessment of market value in terms of section 8(1) shall be Actual.

5.7 To determine whether the valuations for multiple purpose usage will be assessed according to the (dominant use of the property)

5.8 To rate public service infrastructure.

6. CATEGORIES OF RATEABLE PROPERTY AND DIFFERENTIAL RATING

The categories of properties for this municipality are those specified in Appendix 1.

6.1 Different rates may be levied for different categories of rateable property.

6.2 A municipality may not levy:

6.2.1 different rates on residential properties, except as provided for in sections 11(1)(b), 21 and 89 of the Act;

6.2.2 a rate on non-residential properties that exceeds a prescribed ratio to the rate on residential properties determined in terms of section 1(1)(a) of the Act;

6.2.3 rates which unreasonably discriminate between categories of non-residential properties; or

6.2.4 additional rates except in Special Rating Areas as provided for in the Act.

7. RELIEF MEASURES FOR RATEPAYERS

7.1 The municipality has considered:

7.1.1 the need to grant relief to certain ratepayers (including the poor) with a view to providing for appropriate measures to alleviate the impact of the rates burden on them;

7.1.2 the effect of rates on non profit organizations whose income is applied solely to further the aims and objectives of the said organization, and which may be registered in terms of the Income Tax Act for tax reductions because of those activities;

7.1.3 the specified public benefit activities recognized by the act relating to those activities listed in item 1 (welfare and humanitarian), item 2 (health care) and item 4 (education and development) of Part 1 of the Ninth schedule to the Income Tax Act,1962 (Act No.58 of 1962), and these public benefit organizations have been granted the relief identified below.

7.4 The Municipality will only consider the grant of relief to those organizations who meet the requirements set out in clause 7.1.2 and 7.1.3 above and whose activities are of a public and/or charitable nature.

7.5 The municipality will not grant relief in respect of the payment of rates other than by way of an exemption, a rebate or a reduction provided for in its rates policy and granted in terms of section 15 of the Act to:

7.5.1 a category of properties, or

7.5.2 a category of owners of properties as provided hereunder.

7.6 The municipality will not grant relief to the owners of properties on an individual basis.

8. CATEGORIES OF OWNERS ENTITLED TO RELIEF

8.1 This municipality has identified the categories of owners below for purposes of granting exemptions, rebates or reductions:

8.1.1 indigent owners;

8.1.2 pensioners;

8.1.3 owners temporarily without an income;

8.1.4 owners of property situated within an area affected by:

8.1.4.1 a disaster within the meaning of the Disaster Management Act 57 of 2002;

8.1.4.2 any other serious adverse social or economic conditions;

8.1.5 owners of residential properties with a market value below R15 000 determined by the Municipality;

8.1.6 public benefit organizations who conduct the following specified public benefit activities:

8.1.6.1 welfare and humanitarian; or

8.1.6.2 health care; or

8.1.6.3 education; and

8.1.6.4 are registered in terms of the Income Tax Act for tax reductions because of the activities referred to in (8.1.6);

8.1.7 non-profit organizations registered in terms of the non-profit organizations Act whose activities are that of a public and charitable nature as may be specified by the Municipality from time to time;.

8.1.8 minor children who are the head of a household as defined in child headed household;

8.1.9 disabled persons;

8.1.10 retirees;

9. EXEMPTIONS

An exemption is a release from liability for the payment of rates.

A. EXEMPTIONS GRANTED TO CATEGORIES OF PROPERTIES

9.1 The Municipality has exempted in total, from payment of rates the following categories of properties:

9.1.1 Property registered in the name of and used primarily as a place of public worship by a religious community including an official residence also registered in the name of that community, which is occupied by an office bearer who officiates at services at that place of public worship.

9.1.2 Communal Property are categorized as Communal Property:-

- Communal land defined in Section 1 of the Communal Land Rights Act,
  2004
- State Trust Land meaning land owned by the state:-
  - in trust for persons communally inhabiting the land in terms of a traditional system of land tenure;
  - over which land tenure rights were registered or granted.
  - which is earmarked for disposal in terms of the Restitution of Land Rights Act, No. 22 of 1994

B. EXEMPTIONS GRANTED TO CATEGORIES OF OWNERS OF PROPERTIES

9.2 The Municipality has resolved to exempt from the payment of rates the following categories of owners of properties:

9.2.1 Properties owned by public benefit organizations which are used for any
specific public benefit activities listed in Part 1 of the 9th Schedule to the
Income Tax Act;

9.2.2 Properties owned by owners registered as non profit organizations as follows:-

9.2.2.1 Sports bodies

9.3 All applications for exemption shall be granted on an annual basis

9.4 In order to qualify for exemption all applicants shall comply with the following requirements:

9.4.1 written applications for exemption for a financial year must be lodged in the prescribed format with the Municipal Manager on or before 31 March in the year prior to the financial year for which application is being made;

9.4.2 in the case of public benefit organizations upon proof of:

9.4.2.1 registration in terms of the requirements of the Income Tax Act;

9.4.2.2 an affidavit signed by the head of the public benefit organization or non profit organization before a Commissioner of Oaths that the property is used primarily for the specified public benefit activities and purposes of the said public benefit organization;

9.4.3 in the case of a religious community upon proof of submission that:

9.4.3.1 the property is used primarily as a place of public worship; and

9.4.3.2 in the case of the residence owned by the public benefit organization that property is occupied by an office bearer who officiates at services at that place of worship;

9.4.3.3 a copy of the title deed issued by the Deeds Registry within the last 2 months reflecting that the property is registered in the name of the applicant.

9.5. In the case of properties owned by non profit organizations upon proof of submission of:

9.5.1 an affidavit signed by the head of the non profit organization before a Commissioner of Oaths that the property is used primarily for the aims and objective of the said non profit organization ;

9.5.2 that no private pecuniary profit is made from the property;

9.5.3 that no rent is received by the applicant for any use of the property by other persons.

9.6 The Municipality reserves the right to specify such other requirements as the municipal manager deems necessary to specify from time to time.

10. **REDUCTIONS**

A reduction is the lowering of the value of the property upon which rates will be levied.

10.1 It is recorded that the municipality is precluded in terms of section 17(1)(h) of the Act from levying rates on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality:

10.1.1 for residential properties; or

10.1.2 for properties used for multiple purposes provided one or more components of the property are used for residential purposes.

11. **REBATES**

11. REBATES

A rebate is a discount granted on the amount of rates payable by the ratepayer.

A. REBATES FOR CATEGORIES OF PROPERTIES

11.1 The municipality has resolved to grant rebates to the categories of properties below:

Schedule of the categories of properties granted rebates:

Category of Property	Percentage Rebate of Rates
Residential	% to be determined annually
Commercial	% to be determined annually
Industrial	% to be determined annually
Agriculture Special provisions are applicable to agricultural rebates as per clause 11.4 below	% to be determined annually
Public Service Infrastructure	% to be determined annually

B. REBATES FOR CATEGORIES OF OWNERS OF PROPERTIES

11.2 The municipality has resolved to grant the following rebates, to the following categories of owners of properties in addition to the rebate granted to the category of properties in 11.1 above:

Category Of Owner	Percentage Rebate
A pensioner	% to be determined annually
Retiree	% to be determined annually
Persons temporarily without income	% to be determined annually
Disabled persons	% to be determined annually
Indigent persons	% to be determined annually
Owners of property in an area affected by a disaster	% to be determined annually

11.3 In order to qualify for the rebates a pensioner, a retiree, a disabled person, an indigent and/ or persons temporarily without income must:

11.3.1 be the sole owner of the property or owned jointly with his/her spouse;

11.3.2 be living permanently on the property;

11.3.3 not own any other property;

11.3.4 have an aggregate household income which is determined by the Council from time to time ;

11.3.5 provide proof of identity in the form of an identity document; and

11.3.6 substantiate items 11.3.2 to 11.3.4 above by way of a sworn affidavit before a Commissioner of Oaths;

11.3.7 provide proof of income on a sworn declaration and supported by documentation;

11.3.8 medical certificate as required by the municipality if the application relies on a medical basis for the rebate;

11.3.9 any other supporting documents specified by the municipality from time to time.

11.4 The Municipality in considering the criteria to be applied in respect of rebates on properties used for agricultural purposes, took into account:

11.4.1. The extent of services provided by the municipality in respect of such properties;

11.4.2 The contribution of agriculture to the local economy;

11.4.3 The extent to which agriculture assists in meeting the service delivery and development obligations of the Municipality;

11.4.4 The contribution of agriculture to the social and economic welfare of farm workers .

11.5 The Municipality will not grant relief in respect of the payment of a rate:

11.5.1 to a category of owners of properties, or to the owners of a category of properties, other than by way of an exemption, a rebate or a reduction as provided for in this policy and granted in terms of Section 15 of the Act; or

11.5.2 to the owners of properties on an individual basis.

12. CRITERIA FOR DIFFERENTIAL RATING

12.1 Differential rating is the levying of different rates for different categories of properties. The Municipality has resolved to levy differential rates for different categories of rateable property properties as reflected in Appendix 1 and the rates applicable to the different categories of properties are as resolved by the council or by the Minister:

13. MULTIPLE PURPOSE PROPERTIES

13.1 Section 9 of the Act provides for the value of properties to be based or one of the following criteria namely:

13.1.1 the permitted use (section 9(a));

13.1.2 the dominant use (section 9(b));

13.6 This municipality has resolved that:

13.6.1 For multi purpose properties, the rates be determined by apportioning the market value of the property to the different purposes for which the property is used and then applying the respective rate randage to the different usages on a pro rata basis.

14. COMMUNITY PARTICIPATION

It is recorded that every municipality may only adopt its rates policy or any amendment thereof or any review of its policy after following a process of community participation in accordance with chapter 4 of the Municipal systems Act, 2000.

14.1 This Municipality will comply with its community participation and consultation obligations in terms of Chapter 4 of the Municipal Systems Act and Sections 4 and 5 of the Act before the Rates Policy or any review thereof is finally adopted. In terms of chapter 4 of the Municipal systems Act, 2000 (Act No. 32 of 2000) the Municipality is committed to:

14.1.1 building capacity of the local community to enable it to participate in the affairs of the Municipality; and

14.1.2 to foster community participation for which the municipality will allocate funds in its budget for such processes.

14.2 The Participation by the local community in municipal affairs will take place through the political structures; the mechanisms, processes and procedures for participation in municipal governance and any other appropriate mechanisms processes and procedures established by the municipality and generally to apply the provisions for participation as required by this act .

14.3 The municipality will provide for:

13.1.3 pro rata based on the various multi-purpose usage (Section 9(c)).

13.2 Valuations will be assessed on a pro rata basis for multi purpose properties.

13.3 It is recorded that this municipality has determined that for the purpose of assessing the value of multi purpose properties the following criteria will apply:

13.3.1 option 13.2.1 will apply only in respect of vacant land which has not been put to any use. In this instance the zoning or permitted use prevails. If indeterminate, then the valuer will establish the Highest and Best Use of the property;

13.3.2 dominant usage as in 13.2.2 will be determined by the valuer as a basis for determining the use category. Dominant in this instance shall be measured as the higher of either;

13.3.2.1 the measured extent under use (land and/or buildings) or

13.3.2.2 the gross rental value of the area under use (land and/or buildings).

13.4 Properties will be assessed on dominant use where at least 66% of the property is used for a particular purpose. The entire property will be assigned to that category of usage and the value will be assessed based on that usage only .

13.5 Section 9(c) of the Act allows for that multiple purpose properties to be determined by apportioning the market value of the property to the different purposes for which the property is used and then applying the respective rate randage to the different usages on a pro rata basis.

14.3.1 the receipt, processing and consideration of petitions, objections and comments lodged by the members of the local community;

14.3.2 public meetings and hearings by the municipal council and other political structures (e.g. ward committees) and political office bearers of the municipality;

14.3.3 consultative sessions with locally recognized community organizations and where appropriate traditional authorities;

14.4 Communication with the public relating to the Rates Policy will be in terms of section 4(2) of the Act by notice in:

14.4.1 local newspapers circulating in its area and determined by this council as a newspaper of record; and/or

14.4.2 official notice boards and other public places accessible to the public including the library and the municipal offices;

14.4.3 on the municipal website;

and inviting the local community to submit comments and representations within the time specified in the notice.

15. RECOVERY OF RATES

15.1 The following people shall be liable for the payment of rates levied by the Municipality:

15.1.1 owner of a property;

15.1.2 joint owners of a property, who shall be liable jointly and severally;

15.1.3 the owner of a sectional title unit; and

15.1.4 in relation to agricultural properties:

15.1.4.1 any one joint owner of the agricultural property for all the rates levied on the agricultural property

15.1.4.2 each individual joint owner for that portion of rates levied on the joint owner's undivided share in the agricultural property, which ever option the Municipality may choose in relation to agricultural properties.

15.2 In terms of Section 26 of the Act the Municipality will recover rates:

15.2.1 Over ten (10) months as may be prescribed in terms of the Municipal Finance Management Act, which rate must be paid on or before the last working day of each month in each period determined by the Municipality; or

15.2.2 annually, as may be agreed with the owner of the property, on or before the
30 September.

15.3 The Municipality will furnish each person liable for the payment of rates with a written account in terms of Section 27 of the Act.

15.4 A Municipality may recover rates in arrears from tenants and occupiers in accordance with the provisions of Section 28 of the Act.

15.5 A Municipality may recover rates due, either whole or in part, from the agent of the owner if this is more convenient for the Municipality and in terms of Section 29 of the Act.

15.6 A Municipality may change interest on arrears at a rate determined by Council, from time to time, in terms of Section 64 (2)(g) of the Local Government : Municipal Finance Management Act, No. 56 of 2003.

16. CONSOLIDATION AND APPORTIONMENT OF PAYMENTS

Separate accounts of persons liable for payment to the municipality for either rates or services may be consolidated in one account and any appropriation of payments will be done in accordance with the municipality's credit control policy.

17. **DEFERMENT OF RATES**

17.1 The Municipality will on application defer the payment of rates in terms of section 26(3) of the Act under the following special circumstances. To qualify for deferment of rates, the Applicant: -

17.1.1 must be a pensioner, indigent, disabled, over 60 years of age, or who is not above 60 years of age, but has or has been retired from employment by reason of any illness or disability certified by a medical practitioner, dentist, psychologist, intern or intern psychologist contemplated in the Medical, Dental and Supplementary Health Service Professions Act, 1974 (Act 56 of 1974), and whose income from all sources whatsoever must not exceed R 4 500 per annum (including the income of the spouse, if applicable) and the Municipal valuation of the property must not exceed R200 000.00;

17.1.2 must reside permanently on the property concerned;

17.1.3 must be the registered owner of the property.

17.2 Application must be made annually in writing on the prescribed form:

17.2.1 not later than the final date for payment of such rates provided that the council may in special circumstances grant a deferment of the payment of rates after the final date for such payment notwithstanding that such application was made after such final date for payment;

17.3 Deferment will be considered provided that the total amount of all rates so deferred together with accumulated interest accumulated thereon shall not at any time exceed 50% of the value of the property concerned as shown in the valuation roll.

17.4 The final date for payment of the rates on the property concerned shall not be affected by reason of any application for deferment in terms of subsection 17.2 above, provided that if the council allows such application, the portion of the rates in respect of which payment is deferred shall be refunded to the applicant.

17.5 The accumulated amount of the deferred rates shall bear interest at a rate determined from time to time by the council and the council may also approve the waiver of such interest.

17.6 Only the current year's rates can be considered for deferment and then only if the Applicant's rates are not in arrears.

17.7 Any deferment granted in terms here of shall terminate immediately: -

17.7.1 upon the death of the registered owner; provided that the council may continue such deferment, in any case where it is established to its satisfaction that the property concerned has been inherited by the surviving spouse and that such spouse is continuing in occupation of the property;

17.7.2 upon the expropriation, sale or other disposal of the property concerned;

17.7.3 upon the owner ceasing to reside permanently on the property concerned;

17.7.4 if the owner fails by the final date for the payment thereof, to pay rates or any part thereof owing in respect of the property concerned, after allowing for the amount of the deferment; and

17.7.5 on expiry of the period of deferment.

18. IMPERMISSIBLE RATES IN TERMS OF SECTION 17 OF THE ACT

18.1 It is recorded that the Municipality may not, in terms of section 17 of the Act levy a rate on-

18.1.1 the first 30% of the market value of public service infrastructure;

18.1.2 any part of the seashore as defined in the Seashore Act, 1935 (Act No.21 of 1935);

18.1.3 any part of the territorial waters of the Republic as determined in terms of the Maritime Zones Act, 1994 (Act No. 15 of 1994);

18.1.4 any islands of which the state is the owner, including the Prince Edward Islands referred to in the Prince Edward Islands Act, 1948 (Act No. 43 of 1948);

18.1.5 those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004, which are not developed or used for commercial, business, agricultural or residential purposes;

18 .1.6 mineral rights within the meaning of paragraph 18.1.2 of the definition of "property" in section 1;

18.1.7 a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds;

18.1.8 the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality-

18.1.8.1 residential purposes;

18.1.8.2 for properties used for multiple purposes, provided one or more components of the property are used for residential purposes; or

18.1.9 on a property registered in the name of and used primarily as a for place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

18.2 The exclusion from rates of a property referred to in subsection 18.1.5 lapses if the declaration of that property as a special nature reserve, national park, nature reserve or national botanical garden, or as part of such a reserve, park or botanical garden, is withdrawn in terms of the applicable Act mentioned in that subsection.

18.3 If the property in respect of which the declaration is withdrawn is privately owned, the owner, upon withdrawal of the declaration, becomes liable to the municipality concerned for any rates that, had it not been for subsection 18.1.5, would have been payable on the property during the period commencing from the effective date of the current valuation roll of the municipality. If the property was declared as a protected area after the effective date of the current valuation roll, rates are payable only from the date of declaration of the property.

18.4 The amount for which an owner becomes liable in terms of paragraph (b) must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.

18.5 Paragraphs 18.2 and 18.3 apply only if the declaration of the property was withdrawn because of-

18.5.1 a decision by the private owner for any reason to withdraw from the agreement concluded between the private owner and the state in terms of the Protected Areas Act, and in terms of which the private owner initially consented to the property being declared as a protected area; or

18.5.2 a decision by the state to withdraw from such agreement because of a breach of the agreement by the private owner.

19. **CONSTITUTIONALLY IMPERMISSIBLE RATES**

19.1 The Act provides that in terms of Section 229(2)(a) of the Constitution a Municipality may not exercise its power to levy rates on property in a way that would materially an unreasonably prejudice -

19.1.1 national economic policies;

19.1.2 economic activities across its boundaries; or

19.1.3 the national mobility of goods, services, capital or labour.

20. **NEWLY RATED PROPERTY**

20.1 Any property which was not previously rated must be phased in subject to the conditions that:

20.1.1 property registered in the name of a land reform beneficiary must be phased in after the exclusion period in section 17(1) (g);

20.1.2 property owned by Public Benefit Organizations must be phased in over a period of four financial years provided that the Municipality may extend this period on written application to the MEC.

20.2 The phasing in period shall be as set out in the attached table.

Applicable rates for properties to be phased in over four years

Year	Percentage Rates Payable
First	Zero%
Second	25%
Third	50%
Fourth	75%

Applicable rates for properties to be phased in over three years

Year	Percentage Rates Payable
First	25%
Second	50%
Third	75%

CREDIT CONTROL AND DEBT COLLECTION

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1. DEFINITIONS

2. PREFACE : CONSTITUTIONAL OBLIGATIONS

The Council of the municipality, in adopting this policy on credit control and debt collection, recognises its constitutional obligations to develop the local economy and to provide acceptable services to its residents. It simultaneously acknowledges that it cannot fulfill these constitutional obligations unless it exacts payment for the services which it provides and for the taxes which it legitimately levies – in full from those residents who can afford to pay, and in accordance with its indigency relief measures for those who have registered as indigents in terms of the Council's approved indigent management policy.

3. NOTICE OF DEFAULT AND INTENDED TERMINATION OR RESTRICTION OF SERVICES

Within 3 (three) calendar days after each monthly due date for payment of municipal accounts for property rates and/or service charges, the municipal manager shall dispatch to every defaulting account holder, a notice stating that unless full payment is received or an acceptable arrangement made with the municipal manager for partial or late payment, the municipal electricity to the property to which the account in arrears relates, shall be terminated or restricted 14 (fourteen) calendar days after the date of the notice concerned.

4. RECONNECTION OR REINSTATEMENT OF TERMINATED OR RESTRICTED SERVICES

Terminated or restricted services of defaulting account holders in terms of paragraph 3 above shall be reconnected or reinstated by the municipal manager only when all the following conditions have been met:-

- the arrear account has been paid in full, including the interest raised on such account; or an acceptable arrangement has been made with the municipal manager for the payment of the arrear account, including the interest raised on such account;
- the charge(s) for the notice sent in terms of paragraph 3 and for the reconnection or reinstatement of the terminated or restricted service(s), as determined by the Council from time to time, have been paid in full;
- a service contract has been entered into with the municipality, as contemplated in paragraph 10 below; and

a cash deposit has been lodged with the municipal manager in compliance with paragraph 11, such deposit to be newly determined on the basis of currently prevailing consumption of services in respect of the property

- concerned or, if insufficient data is available in regard to such consumption, of the currently prevailing consumption of services in respect of a comparable property.

4.1 INTEREST AND PENALTIES

- Interest will be raised as a charge on all accounts not paid in full by the due date.

5. PERIODS FOR RECONNECTIONS OR REINSTATEMENTS

The municipal manager shall reconnect or reinstate terminated or restricted services within 3 (three) working days after the date on which the conditions set out in paragraph 4 have been met, unless the municipal manager is unable to do so because of circumstances beyond the control of the municipality. In the latter event the municipal manager shall promptly inform the mayor of such circumstances and of any actions required to overcome the circumstances concerned.

6. ILLEGAL RECONNECTIONS

The municipal manager shall, as soon as it comes to the notice of the municipal manager that any terminated or restricted service has been irregularly reconnected or reinstated, report such action to the South African Police Service, disconnect or restrict such service(s), and not reinstate such service(s) until the arrear account, including the interest raised on such account, the charges for the notice sent in terms of paragraph 3 and the charges for both the original and subsequent reconnection or reinstatement of the service(s) and the revised deposit have been paid in full, together with such penalty as may be determined by the Council from time to time.

7. RESTRICTION OF SERVICES

If the municipal manager is of the opinion that the termination of services, in the case of a particular property in respect of which the account is in arrear, is not in the best interests of the community – specifically because of the potential endangerment of the life of any person, whether resident in or outside the property concerned – the municipal manager may appropriately restrict rather than terminate the services in question, provided that such restricted services shall not be less than 50 kWh in the case of electricity.

8. SERVICES NOT RECONNECTED OR REINSTATED AFTER FOUR WEEKS

If services have been terminated or restricted in the case of a property in respect of which the account is in arrear, and the account holder has not paid such arrears, including the interest raised on such account, or made an acceptable arrangement with the municipal manager for the payment of the arrear account, including the interest raised on such account, within a period of 28 (twenty eight) calendar days after the date of termination or restriction of the service(s) concerned, the municipal manager shall forthwith hand such account over for collection and such further action as is deemed necessary by them to the municipality's attorneys or any debt collecting

agency appointed by the Council. All legal expenses incurred by the municipality shall be for the account of the defaulting account holder.

9. ARRANGEMENTS FOR PAYMENT OF ARREAR ACCOUNTS

Allowing defaulting account holders to make arrangements for the payment of arrear accounts shall be at the discretion of the municipal manager. Each defaulting account holder shall be allowed a maximum period of 3 (three) months within which to pay an arrear account, together with the interest raised on such account, and it shall be a condition for the conclusion of any arrangement that the account holder is bound to pay every current municipal account in full and on time during the period over which such arrangement extends. If an account holder breaches any material term of an arrangement, the balance of the arrear account, together with the balance of interest raised on such account, shall immediately become due and payable to the municipality, and if the account holder defaults on such payment, the municipal manager shall terminate or restrict services to the property in question and shall forthwith hand such account over for collection as envisaged in paragraph 8. An account holder who has breached an arrangement as set out above shall not be allowed to make any further arrangements for the payment of arrear accounts, but shall be proceeded against, after the dispatch of the initial notice of default as envisaged in paragraph 3 and failure by the account holder to pay the arrear account, together with interest raised on such arrears as required in terms of such notice, as though such account holder had breached a material term of an arrangement.

10. SERVICE CONTRACT

A service contract shall be entered into with the municipality for each property to which the municipality is expected to provide all or any of the following services:

- electricity
- refuse collection

Such contract shall set out the conditions on which services are provided and shall require the signatory to note the contents of the municipality's credit control and debt collection policy, a copy of which shall be provided to such signatory, as well as the provision of the Local Government : Municipal Systems Act in regard to the municipality's right of access to property.

11. PAYMENT OF DEPOSITS

Whenever a service contract is entered into in terms of paragraph 10, the signatory shall lodge a deposit with the municipality, such deposit to be determined as follows:-

in the case of the signatory's not being the registered owner or spouse of the registered owner of the property concerned, an amount equal 2 months

- consumption of the aggregate monetary value of the relevant service(s) as determined above.

12. ALLOCATION OF PART-PAYMENTS AND APPROPRIATION OF DEPOSITS

If an account holder pays only part of any municipal account due, the municipal manager shall allocate such payment as follows:-

- firstly, to any unpaid charges levied by the municipality in respect of notices, legal expenses and reconnections or reinstatements of services in respect of the account or property concerned;
- secondly, to any unpaid interest raised on the account;
- thirdly, to any unpaid refuse collection charges;
- fourthly, to any unpaid property rates;
- lastly, to any unpaid electricity charges.

This sequence of allocation shall be followed notwithstanding any instructions to the contrary given by the account holder.

In the event of an account holder's defaulting on the payment of an arrear account, as contemplated in paragraphs 6, 8 and 9, the municipal manager shall forthwith appropriate as much of such deposit as is necessary to defray any costs incurred by the municipality and the arrear amount owing to the municipality in the same sequence that is applicable to the allocation of part payments, as contemplated above.

13. QUERIES BY ACCOUNT HOLDERS

In the event of an account holder reasonably querying any item or items on the monthly municipal account, no action shall be taken against the account holder as contemplated in paragraph 3 provided the account holder has paid by due date an amount equal to the monthly average monetary value of the three most recent unqueried accounts, and provided further such query is made in writing by the account holder or is recorded in writing by the municipal manager on behalf of the account holder on or before the due date for the payment of the relevant account. Any query raised by an account holder in the circumstances contemplated in paragraph 14 below shall not constitute a reasonable query for the purposes of the present paragraph.

14. INABILITY TO READ METERS

If the municipality is unable to read any meter on any property because the meter has been rendered inaccessible through any act or omission of the account holder or owner of the property concerned, the municipal manager shall estimate the consumption of the service concerned by determining the monthly average of the

metered consumption recorded on the three most recent accounts in respect of which meter readings were obtained, and thereafter bill the account holder for the monetary value of such estimated consumption plus a provisional surcharge of 10% of such value for the first month in which the metered reading could not be obtained, escalating to 20% in the second month, 30% in the third month, and so on by 10 percentage points for each subsequent month, until the meter is again rendered accessible. The account holder shall be liable for the initial payment of such surcharge(s) as though the surcharge were part of the service charge concerned, but the municipal manager shall reverse such surcharge(s) against the first account for which a meter reading is again obtained.

15. DISHONOURED CHEQUES

If an account holder tenders a cheque which is subsequently dishonoured by the account holder's bankers, the municipal manager shall – in addition to taking the steps contemplated in this policy against defaulting account holders – charge such account holder the penalty charge for dishonoured cheques, as determined by the Council from time to time, and such charge shall rank equally with the costs and expenses incurred by the municipality for purposes of determining the sequence of allocations and appropriations contemplated in paragraph 12.

16. DELEGATION OF RESPONSIBILITIES BY MUNICIPAL MANAGER

The municipal manager, including any person acting in such capacity, shall be responsible to the Council for the implementation of this policy and its attendant by-laws but – without in so doing being divested of such responsibility – may delegate in writing all or any of the duties and responsibilities referred to in these by-laws to any other official or officials of the municipality, and may from time to time in writing amend or withdraw such delegation(s).

the following table highlights the grant income Mthoinjaneni Municipality is expected to recieve in the year 2013/2014 and the outer 2 years of the MTREF as disclosed in the DORA.

KZN285 Mthonjaneni - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
		17 557	21 177	24 481	27 407	27 407	–	30 270	34 445	41 799
LOCAL GVT EQUITABLE SHARE		14 801	18 193	22 096	25 107	25 107		27 726	31 711	38 882
FINANCE MANAGEMENT		857	1 752	1 465	1 500	1 500		1 850	1 800	1 950
MUNICIPAL SYSTEMS IMPROVEMENT		1 880	1 232	920	800	800		690	934	967
									–	
Provincial Government:										
Health subsidy										
Sport and Recreation										
		1 802	1 401	1 672	370	370	370	371	–	–
Health subsidy		762	863	1 300						
District Municipality:										
Uthungulu										
MAP LIBRARY		1 040	518	372	370	370	370	371		
Other grant providers:		133	175	250	–	–	–	–	–	–
Uthungulu		133	175	250						
Total Operating Transfers and Grants		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and		19 492	22 753	26 403	27 777	27 777	370	30 641	34 445	41 799
Capital expenditure of Transfers and Grants										
		12 713	15 036	24 742	19 055	19 055	–	12 487	12 616	13 187
MUNICPAL INFRASTRUCTURE		5 724	6 580	12 427	13 055	13 055		12 487	12 616	13 187
INEP										
Provincial Government:										
Sports and Recreation, Small Town,Market Stalls, EWP										
INEP		6 989	8 456	12 315	6 000	6 000				
Uthungulu		609	198	14 000	2 800	2 800	–	1 000	–	–
EPWP INCENTIVE		609	198	14 000	2 800	2 800		1 000		
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Capital Transfers and Grants		–	–	–	–	–	–	–	–	–
TOTAL RECEIPTS OF TRANSFERS & GRANTS										
Total capital expenditure of Transfers and G		13 322	15 234	38 742	21 855	21 855	–	13 487	12 616	13 187
TOTAL EXPENDITURE OF TRANSFERS AND		32 815	37 988	65 145	49 632	49 632	370	44 128	47 061	54 986

KZN285 Mthonjaneni - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1 404	1 431	1 626	1 671	1 871		2 057	2 180	2 311
Pension and UIF Contributions		150	196	233	239	239		225	238	253
Medical Aid Contributions		30	29					15	16	17
Motor Vehicle Allowance		570	564	544	544	686		420	445	472
Cellphone Allowance		120	124	142	142			136	144	153
Housing Allowances										
Other benefits and allowances								24	25	27
Sub Total - Councillors		2 274	2 346	2 550	2 796	2 796	–	2 879	3 050	3 233
% Increase	4		3.2%	8.7%	9.7%	–	(100.0%)	–	5.9%	6.0%
Senior Managers	2									
Basic Salaries and Wages		1 408	1 569	1 632	2 423	1 753		3 384	3 587	3 802
Pension and UIF Contributions					5	–				
Medical Aid Contributions										
Overtime										
Performance Bonus		211	238	259	368	250		451	478	507
Motor Vehicle	3	276	278	278	404	302				
Cellphone Al	3							76	83	88
Housing Allo	3									
Other benefit	3							–	–	–
Payments in lieu of leave										
Long service awards										
Post-retireme	6									
Sub Total - Senior Managers of		1 895	2 085	2 199	3 190	2 305	–	3 913	4 148	4 397
% Increase	4		10.0%	5.5%	45.1%	(27.7%)	(100.0%)	–	6.0%	6.0%
Other Municipal Staff										
Basic Salaries and Wages		7 561	8 539	9 305	9 850	9 850		9 850	10 441	11 067
Pension and UIF Contributions		739	1 029	1 271	1 472	1 472		1 456	1 537	1 629
Medical Aid Contributions		320	440	750	641	641		651	690	731
Overtime					372	372		321	340	360
Performance Bonus					851	851				
Motor Vehicle	3				215	215		338	359	381
Cellphone Al	3									
Housing Allo	3				7	7		–		–
Other benefit	3	260	140	226	576	576		1 074	1 138	1 206
Payments in lieu of leave										
Long service awards					250	250		250	265	281
Post-retireme	6		751	200	95	95		100	106	112
Sub Total - Other Municipal Staf		8 900	10 899	11 746	14 129	14 129	–	14 035	14 876	15 769
% Increase	4		22.5%	7.8%	20.3%	–	(100.0%)	–	6.0%	6.0%
Total Parent Municipality		13 069	15 330	16 495	20 115	19 230	–	20 826	22 074	23 398
			17.3%	7.6%	21.9%	(4.4%)	(100.0%)	–	6.0%	6.0%

KZN285 Mthonjaneni - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	207 227	26 397	83 456			317 081
Chief Whip								–
Executive Mayor		1	246 674	45 857	100 321			392 351
Deputy Executive Mayor		1	207 227	26 397	83 456			317 081
Executive Committee		1	194 275	24 748	79 240			298 262
Total for all other councillors		7	1 202 451	101 990	249 958			1 554 399
Total Councillor	8	11	2 057 254	225 489	596 431			2 879 174
Senior Manager	5							
Municipal Manager (MM)		1	907 786		24 000	127 088		1 058 874
Chief Finance Officer		1	825 245		18 000	108 026		951 271
								–
								–
								–
								–
List of each offical with packages >= senior manager								
Director Corporate and Commu		1	825 245		18 000	108 026		951 271
Director Technical Services		1	825 245		18 000	108 026		951 271
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total Senior Ma	8,10	4	3 383 518	–	78 000	451 169		3 912 687
A Heading for E	6,7							
List each member of board by designation								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total for munici	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	15	5 440 772	225 489	674 431	451 169		6 791 861

KZN285 Mthonjaneni - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2009/10	2010/11	2011/12	ent Year 2012/13				2013/14 Medium Term Revenue &	
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15
REVENUE ITEMS:										
Property rates	6									
Total Property Rates		8 614	10 010	8 800	8 650	8 650	9 378		9 378	9 659
less Revenue Foregone		4 387	4 314	3 000	2 450	2 450	2 450		2 450	2 524
Net Property Rates		**4 226**	**5 695**	**5 800**	**6 200**	**6 200**	**6 928**	–	**6 928**	**7 136**
Service charges	6									
Total Service charges - electr		9 558	11 023	12 990	16 540	16 921	14 872		18 445	18 998
less Revenue Foregone										
Net Service charges - electrici		**9 558**	**11 023**	**12 990**	**16 540**	**16 921**	**14 872**	–	**18 445**	**18 998**
Service charges	6									
Total Service charges - water revenue										
less Revenue Foregone										
Net Service charges - water re		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue										
Total Service charges - sanitation revenue										
less Revenue Foregone										
Net Service charges - sanitati		–	–	–	–	–	–	–	–	–
Service charges	6									
Total refuse removal revenue		934	977	930	956	1 057	1 057		1 088	1 120
Total landfill revenue										
less Revenue Foregone										
Net Service charges - refuse r		**934**	**977**	**930**	**956**	**1 057**	**1 057**	–	**1 088**	**1 120**
Other Revenue by source										
External Loan		1 573	–	–	–	–	–	–	–	
Admin fees			600	15	–	–	–		–	
Building Plans			4	40	30	10	22		20	21
Traffic Fines			11	–					20	21
Library fines			2	1	15	15			2	2
Licences and Permits			36	8					15	15
Cemetry Fees			4	2		1			20	21
Subdivisions/Sale of Land			0	3 497	1	10			–	
Swimming Pool			7	6	10	40			10	10
Sundry			63	25	40	56			75	77
Valuation Cert	3		59	–	18	8			5 978	6 157
Total 'Other' I	1	**1 573**	**787**	**3 594**	**114**	**140**	**22**	–	**6 140**	**6 324**

EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries	2	9 173	11 316	12 169	14 124	14 162			13 233	13 630
Pension and UIF Contributions		1 133	1 029	1 103	1 603	1 429			1 450	1 494
Medical Aid Contributions			440	532	652	547			651	670
Overtime						–			321	330
Performance Bonus		211	238	259	365	280			451	465
Motor Vehicle Allowance		104	140	111		–			339	349
Cellphone Allowance						–			78	80
Housing Allowances						–			–	
Other benefits and allowances				–	230	199			1 074	1 106
Payments in lieu of leave						–				
Long service awards						–			250	258
Post-retiremer	4	176	751	608	345	345			100	103
sub-total	5	**10 797**	**13 916**	**14 781**	**17 319**	**16 962**	–	–	**17 947**	**18 486**
Less: Employees costs capitalised to PPE										
Total Employee	1	**10 797**	**13 916**	**14 781**	**17 319**	**16 962**	–	–	**17 947**	**18 486**
Depreciation & asset impairment										
Depreciation of Property, Plant &		1 969	2 996	2 553	4 500	4 500			4 500	4 635
Lease amortisation										
Capital asset impairment										
Depreciation r	10									
Total Depreciati	1	**1 969**	**2 996**	**2 553**	**4 500**	**4 500**	–	–	**4 500**	**4 635**
Bulk purchases										
Electricity Bulk Purchases		6 954	8 863	11 944	15 000	16 014			17 456	17 979
Water Bulk Purchases										
Total bulk purch	1	**6 954**	**8 863**	**11 944**	**15 000**	**16 014**	–	–	**17 456**	**17 979**
Transfers and grants										
Cash transfers and grants		–	–	–	–	–	–	–	–	–
Non-cash transfers and grants		–	–	–	240	–	–	–	60	–
Total transfers a	1	–	–	–	**240**	–	–	–	**60**	–
Contracted services										
List services provided by contract										
Contract workers		589	658	766	820	820			1 296	1 335
Rural Metro					1 500	1 500			1 747	1 799
TMT					1 100	1 100			1 150	1 185
EPWP					1 000	1 000			1 000	1 030
sub-total	1	**589**	**658**	**766**	**4 420**	**4 420**	–	–	**5 193**	**5 349**
Allocations to organs of state:										
Electricity										
Water										
Sanitation										
Total contracted services		**589**	**658**	**766**	**4 420**	**4 420**	–	–	**5 193**	**5 349**

Other Expenditure By Type										
Collection costs			8						–	
Contributions to 'other' provision		199	237						–	
Consultant fees									–	
Audit fees			523	677	900	900			1 100	1 132
General exper	3	11 550	701	562	874	1 953			614	632
Admin fees/ Projects			600	378	200	200			–	
Chemicals		17	143	280	200	200			180	185
Electricity			291	117	370	370			480	494
Fuel			334	434	536	536			629	648
Insurance			181	389	276	276			241	248
Grant Expenditure			3 377	279	2 970	2 970			3 910	4 027
Post and Telephone			504	3 661	460	460			650	670
Printing and Stationary			243	420	390	390			300	309
Refuse bags			175	280	360	360			350	361
Sundries			1 313	1 713	385	385			403	415
Cultural activities			205	855	250	250			250	258
Youth activities			55	250	150	150			150	155
Conference and travel			216	150	640	640			580	597
Advertisement			126	437	220	220	46		272	280
Protective clothing			81	160	175	175			194	199
Stores and materials			84	144	175	175	67		165	170
Grants in aid			72	164	90	90			90	93
Bank charges			81	90	100	100			145	149
Subscriptions			65	80	150	150			390	402
Security			–	500	850	850			850	876
Total 'Other' Ex	1	**11 765**	**9 607**	**12 120**	**10 721**	**11 800**	**112**	**–**	**11 943**	**12 301**

Repairs and Maintenance by Expenditure Item	8									
Employee related costs										
Other materials				1 741	2 675	2 825	1 154		2 322	
Contracted Services										
Other Expenditure										
Total Repairs ar	9	–	–	1 741	2 675	2 825	1 154	–	2 322	–

KZN285 Mthonjaneni -D1 Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description R thousand	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Financial Services	Vote 4 - Corporate and Community Services	Vote 5 - Public Safety	Vote 6 - Public Heath	Vote 7 - Protection Services	Vote 8 - Technical Services	Vote 9 - Refuse Removal	Vote 10 - Electricity
Revenue By Source										
Property rates			6 928							
Property rates - penalties & collection charges			450							
Service charges - electricity revenue										18 445
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse revenue									1 088	
Service charges - other										
Rental of facilities and equipment								465		
Interest earned - external investments			1 750							500
Interest earned - outstanding debtors										
Dividends received										
Fines				2			1 905			
Licences and permits				5			2 827			
Agency services										
Other revenue			40	20				85		5 995
Transfers recognised - operational			30 640							
Gains on disposal of PPE										
Total Revenue (excludi	–	–	**39 808**	**27**	–	–	**4 732**	**550**	**1 088**	**24 940**
Expenditure By Type										
Employee related cos	–	–	39 808	27	–	–	4 732	550	1 088	24 940
Remuneration of councillors										
Debt impairment										
Depreciation & asset impairment		1 784	3 273	3 692			3 026	4 303	669	1 199
Finance charges	2 879									
Bulk purchases										
Other materials								3 300		1 200
Contracted services			145							
Transfers and grants										17 456
Other expenditure										6 050
Loss on disposal of PPE					1 747		1 150	2 296		
Total Expenditure	**965**	**737**	**4 042**	**2 214**	**460**		**659**	**1 476**	**516**	**934**
Surplus/(Deficit)										
Transfers recognised	**3 844**	**2 521**	**7 460**	**5 906**	**2 207**	–	**4 835**	**11 375**	**1 185**	**26 838**
recognised - capital										
Contributed assets	**(3 844)**	**(2 521)**	**32 348**	**(5 879)**	**(2 207)**	–	**(103)**	**(10 825)**	**(98)**	**(1 899)**
Surplus/(Deficit) after capital transfers & contributions								**12 487**		

KZN285 Mthonjaneni - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Call investment deposits											
Call deposits < 90 days		500	500	500	500	5 000	3 333		500	500	500
Other current investments > 9		29 540	29 540	44 540	44 540	44 540	29 693		22 540	30 000	30 000
Total Call invest	2	**30 040**	**30 040**	**45 040**	**45 040**	**49 540**	**33 027**	**–**	**23 040**	**30 500**	**30 500**
Consumer debtors											
Consumer debtors		3 506	5 911	4 530	4 000	4 000	3 000		3 500	2 500	2 600
Less: Provision for debt impai		(414)	(2 209)	(678)	(414)	(414)	(414)		(1 490)	(745)	(415)
Total Consumer	2	**3 092**	**3 702**	**3 851**	**3 586**	**3 586**	**2 586**	**–**	**2 010**	**1 755**	**2 185**
Debt impairment provision											
Balance at the beginning o		448	414	1 914	3 414	3 414	2 276		4 914	2 914	4 414
Contributions to the provision			1 795	1 500	1 500	1 500	1 500		(2 000)	1 500	1 500
Bad debts written off											
Balance at end of year		**448**	**2 209**	**3 414**	**4 914**	**4 914**	**3 776**	**–**	**2 914**	**4 414**	**5 914**
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. fi		68 555	87 763	111 345	191 372	191 372	191 372		210 433	200 366	173 299
Leases recogr	3										
Less: Accumulated depreciati		11 722	14 460	16 851	22 438	22 438	14 959		35 067	47 067	48 567
Total Property, I	2	**56 843**	**73 304**	**94 494**	**168 934**	**168 934**	**176 413**	**–**	**175 366**	**153 299**	**124 732**
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)					11 000	11 000	–				
Current portion of long-term liabilities					(1 120)	(1 120)	–				
Total Current liabilities - Borro		**–**	**–**	**–**	**9 880**	**9 880**	**–**	**–**	**–**	**–**	**–**
Trade and other payables											
Trade and other creditors		3 171	1 709	2 554	3 000	3 000			3 500	3 000	3 000
Unspent conditional transfers		12 469	4 267	14 850	18 000	18 000			23 125		
VAT											
Total Trade and	2	**15 640**	**5 976**	**17 403**	**21 000**	**21 000**	**–**	**–**	**26 625**	**3 000**	**3 000**
Non current liabilities - Borrowing											
Borrowing	4				15 000	15 000					
Finance leases (including PPP asset element)											
Total Non current liabilities - E		**–**	**–**	**–**	**15 000**	**15 000**	**–**	**–**	**–**	**–**	**–**

Provisions - non-current											
Retirement benefits		1 224	1 975	2 496	2 520	2 520			2 544	2 565	2 586
List other major provision items											
Refuse landfill site rehabilitation											
Other											
Total Provisions - non-current		**1 224**	**1 975**	**2 496**	**2 520**	**2 520**	**–**	**–**	**2 544**	**2 565**	**2 586**
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit)		69 049	107 568	142 565	177 562	177 562	177 562		176 494	193 954	211 753
GRAP adjustments		(1 047)									
Restated balance		68 002	107 568	142 565	177 562	177 562	177 562	–	176 494	193 954	211 753
Surplus/(Deficit)		19 188	20 420	34 997	227	(1 068)	51 141	–	17 459	17 799	18 526
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Su	1	**87 190**	**127 988**	**177 562**	**177 789**	**176 494**	**228 703**	**–**	**193 954**	**211 753**	**230 279**
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL COMMU	2	**87 190**	**127 988**	**177 562**	**177 789**	**176 494**	**228 703**	**–**	**193 954**	**211 753**	**230 279**

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											

KZN285 Mthonjaneni - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

trategic Objectiv	Goal	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rates	Collect	4 226	5 695	6 106	6 200	6 200	6 200	6 926	7 136	7 350
Grants	Collect	32 207	37 105	49 698	67 632	67 632	67 632	43 127	44 421	45 753
Services	Collect	10 492	12 000	14 413	17 496	17 978	17 978	19 532	20 118	20 722
Licenses	Collect	2 242	2 587	2 774	2 885	2 885	2 885	4 739	4 882	5 028
Interest	Collect	2 123	2 341	2 763	2 250	2 250	2 250	2 250	2 318	2 387
Other	Collect	2 247	1 696	5 171	2 846	2 846	2 846	7 055	7 267	7 485
Allocations to other priorit										
Total Revenue (excluding		53 537	61 424	80 924	99 309	99 791	99 791	83 631	86 140	88 725

KZN285 Mthonjaneni - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

trategic Objectiv	Goal	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Employee Related Cost	Spend 95%	10 797	12 984	13 945	17 319	16 962		17 947	18 486	19 040
Remuneration of councillors	Spend 95%	2 274	2 346	2 551	2 796	2 796	2 796	2 879	2 965	3 054
Debt Impairment	Spend 95%	–	1 795	–	200	200		–	–	–
Depreciation & asset impairment	Spend 95%		2 954	2 553	2 300	2 300	2 300	4 500	4 635	4 774
Finance charges	Spend 95%							145	149	154
Bulk Purchases	Spend 95%	6 954	8 863	11 944	15 000	16 014	16 014	17 456	17 979	18 519
Other materials	Spend 95%	589	658	1 929	4 420	4 420	4 420	6 050	6 232	6 418
Contracted services	Spend 95%	–	658	766	4 420	4 420		5 193	5 349	5 509
Transfers and grants	Spend 95%	11 765	9 607	8 054	10 721	10 721	10 721	10 809	12 616	13 187
Other expenditure loss on disposal			120							
Allocations to other priorities										
Total Expenditure		32 379	39 986	41 743	57 176	57 833	36 251	64 979	68 411	70 656

KZN285 Mthonjaneni - Supporting Table SA14 Household bills

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rand/cent							% incr.	2013/2014	2014/2015	2015/2016
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	562 65	595 32	817 52	844 50	844 50	844 50	–	844 50	869 84	895.93
Electricity: Basic levy	68 65	34 90	42 00	50 00	50 00	50 00	9 0%	54 50	59 41	64.75
Electricity: Consumption	542 22	738 00	898 50	1 102 00	1 102 00	1 102 00	9 0%	1 201 18	1 309 29	1 573 998 00
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal	38 06	40 35	42 75	48 25	48 25	48 25	5 0%	50 66	53.70	56 92
Other										
sub-total	**1 211.58**	**1 408.57**	**1 800.77**	**942.75**	**2 044.75**	**2 044.75**	**128.1%**	**2 150.84**	**2 292.23**	**1 575 015.61**
VAT on Services										
Total large household bill:	**1 211.58**	**1 408.57**	**1 800.77**	**942.75**	**2 044.75**	**2 044.75**	**128.1%**	**2 150.84**	**2 292.23**	**1 575 015.61**
% increase/-decrease		**16.3%**	**27.8%**	**(47.6%)**	**116.9%**	**–**		**5.2%**	**6.6%**	**68 611.1%**
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	223 48	236 45	230 02	237 60	237 60	237 60	–	237 60	244 73	252 07
Electricity: Basic levy	68 65	34 90	42 00	50 00	50 00	50 00	9 0%	54 50	56 14	57 82
Electricity: Consumption	269 53	273 52	369 50	458 00	458 00	458 00	9 0%	499.22	514 20	529.62

Water: Consumption										
Sanitation										
Refuse removal	38.06	40.35	42.72	48.25	48.25	48.25	5.0%	50.66	52.18	53.75
Other										
sub-total	**599.72**	**585.23**	**684.24**	**793.85**	**881.85**	**793.85**	**6.1%**	**841.98**	**867.24**	**893.26**
VAT on Services										
Total small household bill:	**599.72**	**585.23**	**684.24**	**793.85**	**881.85**	**793.85**	**6.1%**	**841.98**	**867.24**	**893.26**
% increase/-decrease		**(2.4%)**	**16.9%**	**16.0%**	**11.1%**	**(10.0%)**		**6.1%**	**3.0%**	**3.0%**
			-8.00	-0.05	-0.31	-1.90				
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates										
Electricity: Basic levy	40.22	36.00	35.00	37.50	37.50	37.50	8.0%	38.84	40.18	43.39
Electricity: Consumption										
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal										
Other										
sub-total	**40.22**	**36.00**	**35.00**	**37.50**	**37.50**	**37.50**	**3.6%**	**38.84**	**40.18**	**43.39**
VAT on Services										
Total small household bill:	**40.22**	**36.00**	**35.00**	**37.50**	**37.50**	**37.50**	**3.6%**	**38.84**	**40.18**	**43.39**
% increase/-decrease		**(10.5%)**	**(2.8%)**	**7.1%**	**–**	**–**		**3.6%**	**3.5%**	**8.0%**

KZN285 Mthonjaneni - Supporting Table SA15 Investment particulars by type

Investment type	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Ban	30 040	30 040	45 040	45 040	45 040	45 040	25 040	30 040	32 040
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
Municipal Bonds									
Municipality sub	**30 040**	**30 040**	**45 040**	**45 040**	**45 040**	**45 040**	**25 040**	**30 040**	**32 040**
Entities									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank									
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
Entities sub-tota	–	–	–	–	–	–	–	–	–
Consolidated to	**30 040**	**30 040**	**45 040**	**45 040**	**45 040**	**45 040**	**25 040**	**30 040**	**32 040**

KZN285 Mthonjaneni - Supporting Table SA16 Investment particulars by maturity

stments by Mati nstitution & inve	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
									Rand thousand	
Parent municipality										
INVESTEC 45	6 MONTHS	W/S DEPOSI	YES	FIXED	5 33%	NO	N/A	30 04 2013	9 000	239 850
INVESTEC 50	28 DAYS	ALL DEPOS	YES	FIXED	4 60%	NO	N/A		26 000	91 747
INVESTEC	30 DAYS	CALL ACCO	YES	FIXED	4 23%	NO	N/A		46	2
FNB		CALL DEPOS	YES	FIXED	4 40%	NO	N/A		500	2
Municipality sub-total									**35 546**	**331 601**
Entities										
Entities sub-total									–	–
TOTAL INVESTI									**35 546**	**331 601**

KZN285 Mthonjaneni - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	2011/12			Current Year 2012/13			Budget Year 2013/14		
Number	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office B		11			11			11	
Board Membe									
Municipal emplo									
Municipal Man		3		4	3		4	4	
Other Manage		5			5				
Professionals	–	2	–	–	4	–	–	4	–
Finance									
Spatial/town planning		1			2			2	
Information Technology					2			2	
Roads									
Electricity		1							
Water									
Sanitation									
Refuse									
Other									
Technicians	–	–	–	–	–	–	–	–	–
Finance									
Spatial/town planning									
Information Technology									
Roads									
Electricity									
Water									
Sanitation									
Refuse									
Other									
Clerks (Clerical and adminis		40	1		42	1		44	
Service and sales workers		6			6			8	
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operator		8			9			9	
Elementary Occupations		37	40		40	40		40	40
TOTAL PERSON	–	**112**	**41**	**4**	**120**	**41**	**4**	**120**	**40**
% increase				–	7.1%	–	–	–	(2.4%)
Total municipal	10								
Finance perso	10								
Human Resou	10								

KZN285 Mthonjaneni - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Budget Year 2013/14	Budget Year 2014/15	Budget Year +2 2015/16
Revenue By Source																
Property rates				693	693	693	693	693	693	693	693	693	693	6 928	7 136	7 350
Property rates - penalties & colle		38	38	38	38	38	38	38	38	38	38	38	38	450	464	477
Service charges - electricity rev		1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 538	18 445	18 998	19 568
Service charges - water revenue													–	–	–	–
Service charges - sanitation revenue													–	–	–	–
Service charges - refuse revenu		91	91	91	91	91	91	91	91	91	91	91	87	1 088	1 120	1 154
Service charges - other													–	–	–	–
Rental of facilities and equipme		39	39	39	39	39	39	39	39	39	39	39	36	465	479	493
Interest earned - external investments			563			563		563					563	2 250	2 318	2 387
Interest earned - outstanding debtors													–	–	–	–
Dividends received													–	–	–	–
Fines		159	159	159	159	159	159	159	159	159	159	159	158	1 907	1 964	2 023
Licences and permits		236	236	236	236	236	236	236	236	236	236	236	236	2 832	2 917	3 005
Agency services													–	–	–	–
Transfers recognised - operatio		11 783	370			9 243				9 243			0	30 640	31 559	32 506
Other revenue		512	512	512	512	512	512	512	512	512	512	512	507	6 140	6 324	6 514
Gains on disposal of PPE													–	–	–	–
Total Revenue (excluding capital		**14 394**	**3 544**	**3 304**	**3 304**	**13 110**	**3 304**	**3 867**	**3 304**	**12 548**	**3 304**	**3 304**	**3 855**	**71 144**	**73 279**	**75 477**
Expenditure By Type																
Employee related costs		1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 909	1 458	17 947	18 486	19 040
Remuneration of councillors		240	240	240	240	240	240	240	240	240	240	240	240	2 879	2 965	3 054
Debt impairment													–	–	–	–
Depreciation & asset impairmen		375	375	375	375	375	375	375	375	375	375	375	375	4 500	4 635	4 774
Finance charges		12	12	12	12	12	12	12	12	12	12	12	12	145	149	154
Bulk purchases		1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 454	17 456	17 979	18 519
Other materials		504	504	504	504	504	504	504	504	504	504	504	504	6 050	6 232	6 418
Contracted services		433	433	433	433	433	433	433	433	433	433	433	433	5 193	5 349	5 509
Transfers and grants		5	5	5	5	5	5	5	5	5	5	5	5	60	–	–
Other expenditure		995	995	995	995	995	995	995	995	995	995	995	995	11 943	12 301	12 670
Loss on disposal of PPE													–	–	–	–
Total Expenditure		**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 928**	**5 476**	**66 172**	**68 095**	**70 138**
Surplus/(Deficit)		**8 917**	**(1 933)**	**(2 172)**	**(2 172)**	**7 634**	**(2 172)**	**(1 610)**	**(2 172)**	**7 071**	**(2 172)**	**(2 624)**	**(1 622)**	**4 972**	**5 183**	**5 339**
Transfers recognised - capital			3 122			3 122				3 122		3 122	–	12 487	12 616	13 187
Contributions recognised - capital													–	–	–	–
Contributed assets													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**8 917**	**1 189**	**(2 172)**	**(2 172)**	**10 755**	**(2 172)**	**(1 610)**	**(2 172)**	**10 193**	**(2 172)**	**498**	**(1 622)**	**17 459**	**17 799**	**18 526**
Surplus/(Deficit)	1	**8 917**	**1 189**	**(2 172)**	**(2 172)**	**10 755**	**(2 172)**	**(1 610)**	**(2 172)**	**10 193**	**(2 172)**	**498**	**(1 622)**	**17 459**	**17 799**	**18 526**

KZN285 Mthonjaneni - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote																
Vote 1 - Council													–	–	–	–
Vote 2 - Municipal Manager													–	–	–	–
Vote 3 - Financial Services		12 478	795	795	795	10 038	795	795	795	10 038	795	795	895	39 808	41 002	43 462
Vote 4 - Corporate and Commun		2	2	2	2	2	2	2	2	2	2	2	7	27	28	29
Vote 5 - Public Safety													–	–	–	–
Vote 6 - Public Heath													–	–	–	–
Vote 7 - Protection Services		394	394	394	394	394	394	394	394	394	394	394	395	4 732	5 016	5 317
Vote 8 - Technical Services		3 168	46	46	46	3 168	46	3 168	46	3 168	46	46	46	13 037	13 199	13 805
Vote 9 - Refuse Removal		91	91	91	91	91	91	91	91	91	91	91	90	1 088	1 153	1 222
Vote 10 - Electricity		2 458	2 458	2 458	2 458	2 458	2 458	2 458	2 458	2 458	2 458	2 458	(2 093)	24 940	26 436	28 023
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Revenue by Vote		**18 590**	**3 785**	**3 785**	**3 785**	**16 150**	**3 785**	**6 907**	**3 785**	**16 150**	**3 785**	**3 785**	**(660)**	**83 632**	**86 835**	**91 859**
Expenditure by Vote to be appropriated																
Vote 1 - Council		320	320	320	320	320	320	320	320	320	320	320	320	3 844	4 074	4 319
Vote 2 - Municipal Manager		210	210	210	210	210	210	210	210	210	210	210	210	2 521	2 672	2 833
Vote 3 - Financial Services		622	622	622	622	622	622	622	622	622	622	622	622	7 460	7 907	8 382
Vote 4 - Corporate and Commun		490	490	490	490	490	490	490	490	490	490	490	490	5 880	6 233	6 607
Vote 5 - Public Safety		146	146	146	146	146	146	146	146	146	146	146	145	1 747	1 852	1 963
Vote 6 - Public Heath													–	–	–	–
Vote 7 - Protection Services		441	441	441	441	441	441	441	441	441	441	441	442	5 295	5 613	5 950
Vote 8 - Technical Services		950	950	950	950	950	950	950	950	950	950	950	950	11 402	12 001	12 721
Vote 9 - Refuse Removal		99	99	99	99	99	99	99	99	99	99	99	99	1 185	1 256	1 332
Vote 10 - Electricity		2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	26 838	28 448	30 155
Total Expenditure by Vote		**5 514**	**5 514**	**5 514**	**5 514**	**5 514**	**5 514**	**5 514**	**5 514**	**5 514**	**5 514**	**5 514**	**5 515**	**66 172**	**70 057**	**74 260**
Surplus/(Deficit) before assoc.		**13 076**	**(1 729)**	**(1 729)**	**(1 729)**	**10 636**	**(1 729)**	**1 392**	**(1 729)**	**10 636**	**(1 729)**	**(1 729)**	**(6 175)**	**17 459**	**16 778**	**17 598**
Surplus/(Deficit)	1	**13 076**	**(1 729)**	**(1 729)**	**(1 729)**	**10 636**	**(1 729)**	**1 392**	**(1 729)**	**10 636**	**(1 729)**	**(1 729)**	**(6 175)**	**17 459**	**16 778**	**17 598**

KZN285 Mthonjaneni - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard																
Governance and administrati		3 318	3 318	3 318	3 318	3 318	3 318	3 318	3 318	3 318	3 318	3 318	3 318	39 818	42 207	44 740
Executive and council													–	–	–	–
Budget and treasury office		3 317	3 317	3 317	3 317	3 317	3 317	3 317	3 317	3 317	3 317	3 317	3 317	39 808	42 196	44 728
Corporate services		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Community and public safety		47	47	47	47	47	47	47	47	47	47	47	47	567	601	637
Community and social servic		47	47	47	47	47	47	47	47	47	47	47	47	567	601	637
Economic and environmental		3 516	394	394	3 516	394	3 516	394	394	3 516	394	394	395	17 219	17 231	18 265
Planning and development		394	394	394	394	394	394	394	394	394	394	394	395	4 732	5 016	5 317
Road transport		3 122			3 122		3 122			3 122			(0)	12 487	12 214	12 947
Trading services		2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 168	26 028	27 589	29 244
Electricity		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 940	26 436	28 023
Waste management		91	91	91	91	91	91	91	91	91	91	91	90	1 088	1 153	1 222
Other													–	–	–	–
Total Revenue - Standard		9 051	5 929	5 929	9 050	5 929	9 050	5 929	5 929	9 050	5 929	5 929	5 928	83 632	87 628	92 886
			8 449	8 449	11 570	8 449	11 570	8 449	8 449	11 570	8 449	8 449				
Expenditure - Standard																
Governance and administrati		1 588	1 588	1 588	1 588	1 588	1 588	1 588	1 588	1 588	1 588	1 588	1 588	19 056	20 199	21 411
Executive and council		530	530	530	530	530	530	530	530	530	530	530	530	6 365	6 747	7 152
Budget and treasury office		622	622	622	622	622	622	622	622	622	622	622	622	7 460	7 907	8 382
Corporate services		436	436	436	436	436	436	436	436	436	436	436	436	5 231	5 545	5 878
Community and public safety		1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	13 717	14 540	15 412
Community and social servic		998	998	998	998	998	998	998	998	998	998	998	998	11 970	12 688	13 450
Sport and recreation													–	–	–	–
Public safety		146	146	146	146	146	146	146	146	146	146	146	145	1 747	1 852	1 963
Economic and environmental		441	441	441	441	441	441	441	441	441	441	441	523	5 376	5 699	6 041
Planning and development		441	441	441	441	441	441	441	441	441	441	441	442	5 295	5 613	5 950
Road transport													81	81	86	91
Environmental protection													–	–	–	–
Trading services		2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	28 023	29 705	31 487
Electricity		2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	2 237	26 838	28 448	30 155
Waste management		99	99	99	99	99	99	99	99	99	99	99	99	1 185	1 256	1 332
Other													–	–	–	–
Total Expenditure - Standard		5 508	5 508	5 508	5 508	5 508	5 508	5 508	5 508	5 508	5 508	5 508	5 589	66 172	70 143	74 351
Surplus/(Deficit) before assoc.		3 543	421	421	3 543	421	3 543	421	421	3 543	421	421	339	17 459	17 485	18 534
Surplus/(Deficit)	1	3 543	421	421	3 543	421	3 543	421	421	3 543	421	421	339	17 459	17 485	18 534

KZN285 Mthonjaneni - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expendi	1															
Governance and administrati		635	–	–	–	35	–	–	–	–	–	–	–	670	708	747
Executive and council		635				35							–	670	708	747
Budget and treasury office													–	–	–	–
Corporate services													–	–	–	–
Community and public safety		230	–	–	230	–	–	230	–	230	–	–	354	1 273	1 344	1 420
Community and social services													355	355	375	396
Sport and recreation													–	–	–	–
Public safety		230			230			230		230			(1)	918	970	1 024
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental		2 800	–	4 000	–	2 000	1 902	–	–	–	3 000	–	1 645	15 347	16 206	17 114
Planning and development													–	–	–	–
Road transport		2 800		4 000		2 000	1 902				3 000		1 645	15 347	16 206	17 114
Environmental protection													–	–	–	–
Trading services		5 000	–	8 900	–	2 830	–	–	–	–	–	–	–	16 730	–	–
Electricity		5 000		8 900		2 830							–	16 730	–	–
Water													–	–	–	–
Waste water management													–	–	–	–
Waste management													–	–	–	–
Other													–	–	–	–
Total Capital Expenditure - Standard	2	8 665	–	12 900	230	4 865	1 902	230	–	230	3 000	–	1 999	34 020	18 258	19 281

KZN285 Mthonjaneni - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Receipts By Source													1		
Property rates	577	577	577	577	577	577	577	577	577	577	577	577	6 928	7 136	7 350
Property rates	38	38	38	38	38	38	38	38	38	38	38	38	450	464	477
Service charg	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 537	1 538	18 445	18 998	19 568
Service charg	91	91	91	91	91	91	91	91	91	91	91	87	1 088	1 120	1 154
Rental of facil	39	39	39	39	39	39	39	39	39	39	39	36	465	479	493
Interest earned - external inv		563			563		563					563	2 250	2 318	2 387
Fines	159	159	159	159	159	159	159	159	159	159	159	158	1 907	1 964	2 023
Licences and	236	236	236	236	236	236	236	236	236	236	236	236	2 832	2 917	3 005
Transfer rece	11 703	370			9 243				9 243			0	30 640	31 559	32 506
Other revenu	512	512	512	512	512	512	512	512	512	512	512	507	6 140	6 324	6 514
Cash Receipts b	**14 972**	**4 121**	**3 189**	**3 189**	**12 995**	**3 189**	**3 751**	**3 189**	**12 432**	**3 189**	**3 189**	**3 739**	**71 144**	**73 279**	**75 477**
Other Cash Flows by Source															
Transfer rece	3 122			3 122			3 122		3 122			–	12 487	12 616	13 187
Total Cash Rece	**18 093**	**4 121**	**3 189**	**6 311**	**12 995**	**3 189**	**6 873**	**3 189**	**15 554**	**3 189**	**3 189**	**3 739**	**83 631**	**85 895**	**88 664**
Cash Payments by Type															
Employee rel	1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 458	1 909	1 458	17 947	18 486	19 040
Remuneratio	240	240	240	240	240	240	240	240	240	240	240	240	2 879	2 965	3 054
Finance charges												–	–	–	–
Bulk purchas	375	375	375	375	375	375	375	375	375	375	375	375	4 500	4 635	4 774
Bulk purchas	12	12	12	12	12	12	12	12	12	12	12	12	145	149	154
Other materia	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 455	1 454	17 456	17 979	18 519
Contracted se	504	504	504	504	504	504	504	504	504	504	504	504	6 050	6 232	3 418
Transfers and	433	433	433	433	433	433	433	433	433	433	433	433	5 193	5 349	5 509
Transfers and	5	5	5	5	5	5	5	5	5	5	5	5	60	–	–
Other expend	995	995	995	995	995	995	995	995	995	995	995	995	11 943	12 301	12 670
Cash Payments	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 477**	**5 928**	**5 476**	**66 172**	**68 095**	**70 138**
Other Cash Flows/Payments by Type															
Capital assets	8 664	–	12 900	230	4 865	1 902	230	–	230	3 000		1 999	34 020		
Total Cash Payr	**14 141**	**5 477**	**18 377**	**5 707**	**10 342**	**7 379**	**5 707**	**5 477**	**5 707**	**8 477**	**5 928**	**7 475**	**100 192**	**68 095**	**70 138**
NET INCREASE/(DECREASE) IN CASH HELD	**3 952**	**(1 355)**	**(15 188)**	**604**	**2 653**	**(4 190)**	**1 166**	**(2 288)**	**9 847**	**(5 288)**	**(2 739)**	**(3 735)**	**(16 561)**	**17 799**	**18 526**
Cash/cash equivalents at the mo		3 952	2 597	(12 591)	(11 987)	(9 334)	(13 524)	(12 358)	(14 646)	(4 799)	(10 086)	(12 825)	–	(16 561)	1 239
Cash/cash equiv	3 952	2 597	(12 591)	(11 987)	(9 334)	(13 524)	(12 358)	(14 646)	(4 799)	(10 086)	(12 825)	(16 561)	(16 561)	1 239	19 764

UMASIPALA **MTHONJANENI** MUNICIPALITY
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QUALITY CERTIFICATE

I Raymond Phiwamandla Mnguni, Municipal Manager of Mthonjaneni Municipality, hereby

certify that the draft budget and supporting documentation have been prepared

in accordance with the Municipal Finance Management Act and the regulations

made under the Act, and that the draft budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name : RP Mnguni

Municipal Manager : Mthonjaneni Municipality (KZ 285)

Signature : .....

Date : 05/04/2013